

INSIDE: Picking up the pieces in Mexico

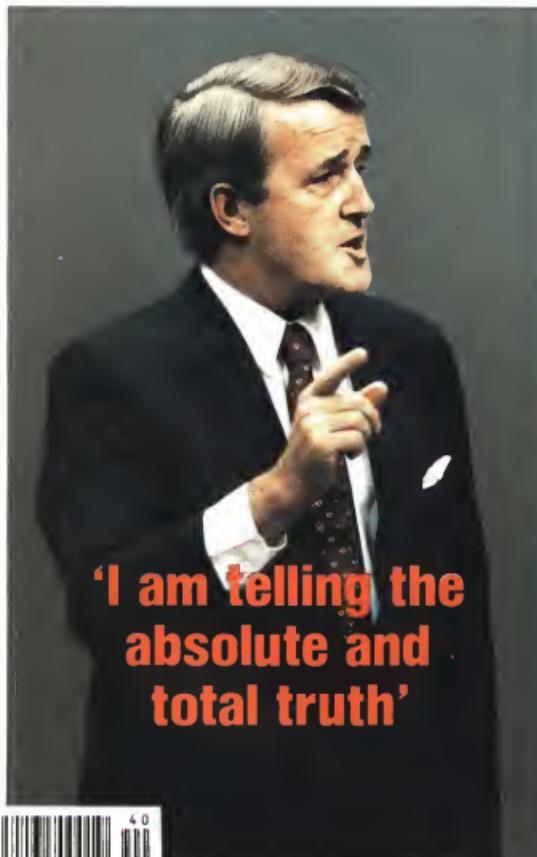
Maclean's

OCTOBER 7, 1985

CANADA'S WEEKLY NEWSMAGAZINE

\$1.75

MULRONEY UNDER FIRE



John Fraser: resigned on Sept. 23



Marcel Masse: resigned on Sept. 25



Maclean's

OCTOBER 7, 1988 VOL. 98 NO. 40

Good taste is why you buy it.

Ballantine's



Mexico measures its losses
Mexicans were encouraged last week by the encouraging rescue of infants, men and women out of the rubble from the earthquake that ravaged their capital. —Page 20



The prince goes to school
Before leaving for the U.S. and Australia, Prince Charles and Diana, Princess of Wales, saw their first-born son, Prince William, off to his first day of school. —Page 34

COVER

Mulroney under fire
Rocked by the resignations of two prominent cabinet ministers, John Fraser and Marcel Masse, Brian Mulroney's government was faced with the most serious crisis since it took power in September last year. The events raise major questions about the young government's competence and credibility. —Page 10

PHOTOGRAPH BY GUY LAWRENCE FOR THE STAR



CONTENTS	
Scholar	52
Books	53
Business/Economy	58
Canada/Court	16
Cabin	5
Editorial	5
Education	58
Films	62
Ftheringham	64
Letters	4
Medicine	50
Music	56
Norman	54
Passages	4
People	54
Radio	63
Sports	46
World	28



Planning the dollar's fall
Top bank and economic officials from five major Western nations announced last week that they were going to drive down the value of the U.S. dollar. —Page 38



A religious division
Last week lawyers gathered in Toronto to argue the constitutionality of a provincial bill that would provide full public funding to Roman Catholic high schools. —Page 68



Tension on the Rideau

For a government committed to setting its own agenda and sticking to it, the first three weeks of the current Parliament have been a nightmare. The resignation of two senior ministers, opposition charges of a cover-up at the highest level of government and a series of contradictory statements left Prime Minister Brian Mulroney abashed but clearly frustrated and unable to regain the momentum. At the same time, the controversies seemed to deepen Ottawa's already edgy caustic mood last week.

A visitor immediately noted that the usually relaxed capital exhibits a sense of tension bordering on fear. The reason appears to be a deep-seated worry that any public retort of people with power may result in sharp reprisals from the Tories' old contacts, who in the past were usually anxious to make their opinions known, insisted that their constituents be "off the record" as a precondition for a conversation. That cautious new approach to life in the capital was evident as Ottawa Editor Ray MacGregor, Ottawa bureau member Ken MacQuarrie, MacQuarrie's replacement

Ken MacQuarrie, MacQuarrie's replacement

Quebec, Senior Writer Mary Janigan and the other staffers who prepared this week's cover package.

As always, politicians wanted to get their messages across, but too many of those who praised the government's performance were reluctant to have their comments quoted directly. In nearly every case, the people interviewed for the story requested anonymity, citing vague but very real concerns about their future advancement. The atmosphere was an unhealthy one. It is also true that the Prime Minister, who traditionally has been open and communicative, could do a great deal to improve

Ken Dayle

Maclean's Oct. 7, 1985

Editor
Ken Dayle

Managing Editor: Robert Lecce
Associate Managing Editors: Carl Wellin, Alice Walker

Editorial Assistant: Linda G. Johnson
Editorial Associate: Diane C. Horwitz

Editorial Assistant: Robert Martell
Editorial Assistant: Bev McNeely

Associate Editor: Robert Pilon

Associate Editor: Michael W. Tait

Entertainment editor: Alan Johnson

Books Editor: Pauline Rose

Print Designers: Pauline Rose, Karen Karpman

Graphic Designer: Pauline Rose, Brian D. Johnson

Art Director: Robert Miller, The Queen

General Manager: Andrew Hodge, Eric Patrick, Michaela

Chief Financial Officer: Robert Miller, Michael Dolan

Chief Accountant: Robert Miller

Controller: Michael Dolan

Administrative Assistant: Diane Walker

Administrative Manager: Ken MacQuarrie

Editor: Ray MacGregor (Assistant: Pauline Rose)

Editor: Alice Walker (Assistant: Michaela)

Editor: Michaela (Assistant: Pauline Rose)

Editor: Diane Walker (Assistant: Michaela)

A history lesson

I cannot help wondering why your article "A history debate begins" ("Free trade," Cover, Sept. 10) chose not to mention Canada's long-standing inner struggle with the free trade question. Surely it is significant that the federal elections of 1981 and 1984 were lost by advocates of what was then called "neoprotection" and that the Trudeau-Malraux years have witnessed a revolutionary reversal of the traditional Liberal "pro" and Conservative "anti-free trade positions. No wonder Brian Mulroney is cautious. Wilfrid Laurier and John Diefenbaker are spinning in their graves.

—ROBERT A. WILKINSON,
Gates Landing, Ont.

No barrel of laughs

Your article "The bubbling battle over beer" (Business/Economy, Sept. 9) left out the most important point: Beer in the United States sells for about \$7 to \$8 per can of 24, depending on sale prices. In Canada there are no sale prices, and beer sells for \$16 to \$24. Is it any wonder beer sales fell off?

ANDREW KEMP,
Toronto

The real bargain

In the bad old days the poor and helpless used to be able to sell their blood when they needed quick cash. The dictate-over water exports results that differentiated practice ("The crisis over water," Cover, Aug. 25). Draining a hard bargain over water does not mean, as you say, pumping rivers south for profit. It means its proving irrigation priorities so that the biggest consumers of water



PASSAGES

RETIRED Hockey superstar Guy Lefleur, 34, who retired from the Montreal Canadiens lineup last November after scoring 518 goals and 528 assists in a 14-year career playing right wing, has his public relations position with the team. Lefleur said that he left insulted by the reduced salary offer of \$72,000 a year proposed by team president Ronald Carey. Lefleur now earns \$400,000.

DIED Former postal carrier and assistant postal union leader Joe Davidson, 71, of a heart attack, in his native Matherland, Scotland. During a 30-day postal workers strike in 1976, Davidson earned the wrath of officials who he declared, "If the public won't listen to justice of our cause, then we'll tell the public." As president of the Canadian Union of Postal Workers Davidson took a strong anti-management stand which led to two striking strikes.

DECEASED Former Saskatchewan union official Hal Banks. Banks came to Canada from the United States in 1948 and unsuccessfully broke up the Communist-dominated Canadian Steelworkers Union, half of the U.S.-based Steelworkers International at Corpus, from local districts, in San Francisco. In 1964 the leader of the Steelworkers International, Union of Canadas was convicted of conspiracy in the breaking of a Canadian steel captain and fled to the United States where he was arrested but eventually released. He later started a water-taxi business in the San Francisco area.

DIED Veteran American stage, screen and TV actor Lloyd Nolan, 86, of lung cancer, at his home in Los Angeles. Nolan often played gangsters or pallbearers in the 1930s and 1940s, and although most of his movies were "B" pictures—secondary features—critics regarded him highly. He was on Emmy for his 1965 TV performance as the ornate Capo Quimp in *The Caine Mutiny*, and played Dr Martin Cleagley with lead star *Diahann Carroll* in *Jaws* from 1975 to 1971.

—LAUREN MARSHALL DUNIGAN
Winona

Profligacy begins at home

Your article "A vote for the good life" (World, Sept. 10) informs us that Sweden has a "growing national debt of \$74 billion compared to Canada's \$35.8 billion." The latter figure is, in fact, our current deficit. Our national debt is approaching \$200 billion! I realize that it is the patriotic duty of the press to denigrate socialist Sweden at every opportunity, but this seems a little excessive.

DAVID GREGORY,
Scarborough, Ont.

MOVING? CALL TOLL FREE	
1-800-268-9057 Ext. 3746	
OR COMPLETE THIS FORM AND MAIL	
AT LEAST 6 WEEKS BEFORE YOUR MOVE	
MAIL TO: Blue Cross, P.O. Box 5000, Toronto, Ontario M3J 2Z5	
For more information call 1-800-268-9057	
TOLL FREE	
MOVING?	
NAME _____	
ADDRESS _____	
CITY _____	
PROVINCE _____	
POSTAL CODE _____	
HOME _____	
OFFICE _____	
ATTY _____	
FIRM _____	
MOVING DATE _____	
FROM _____	
TO _____	
PROVINCE _____	

If you're thinking of an employee benefit plan, they've probably already picked the colour.

More than 40,000 companies in Canada and millions of employees carry Blue Cross protection.

Why? Because they value an association with a responsible, service-oriented industry leader, and are impressed with the expertise and flexibility Blue Cross brings to group benefit plans.

Blue Cross has 35 offices across Canada. Next time you're thinking of a benefit package for your clients or employees, think of Blue Cross.





"I'd sure enjoy
a Duff Gordon
right now!"

DUFF GORDON • 10 STARS • BRANDY



Duff Gordon Brandy is available in 114 Bars, 750 and 375 ml bottles at remarkably attractive prices for such a celebrated imported brandy.
Sales agents in Ontario:
A.F. Vignau & Son Inc.,
21 Gerrard St.,
Toronto, Ont., M5Y 1A1
Write for the Duff Gordon Brandy
and Sherry recipe folder.

The cost of redress

Your story "A holdup on harassment" (Follow-up, Sept. 2) might cause unnecessary worry about the cost of obtaining redress when making a complaint under the Canadian Human Rights Act. The fact is that the act protects people from discrimination without any cost to them, the commission offered this service to the complainant in the case you wrote about, but she chose to retain her own lawyer. The problem is, in refusing the request of the complainant's lawyer for legal costs, and "Given the circumstances, we do not feel that two lawyers were necessary to present these," The structure of the act permits an individual who has a complaint to have it presented by someone else for the compensation without incurring personal expense. With hindsight, we feel that that is not a way to compensate. However, special assistance to my office (Marilyn Kristina) Potapayek for any redundant legal costs that were incurred."

— R. GORDON PATAPAYEK,
Chair, Commissioner,
Canadian Human Rights Commission,
Ottawa

Maritime discontent

Hats off to Peter C. Newman's timely essay on the state of the Royal Canadian Navy ("The Canadian navy's hard-time days," Sept. 2). We Canadians are a strange people. In 1810 we began our own navy, mainly to assert our independence from Great Britain. It was a brave and vigorous decision for a young nation. In 1862 we were born on the destruction of one of our navy's pride and joy, the *Hood*, in a war of attrition against the United States. So my question to the editor as a whole is, was it a combination of us or the first place? Or have Canadians lost their pride and reason?

— W. Weather, Ont.

A psychological first

In your obituary for Donald Hebb (Pages, Sept. 2), the title of his classic 1949 book was incorrectly referenced. Hebb's book is entitled "The Organization of Behavior: A Neurophysiological Theory," not "A Neurological Theory." Hebb's use of the term "neuro-psychological" may well have been the first use of this term for the concept of the merging of psychological and neurological advances, which has become so pervasive in modern psychology.

— RALPH J. RATNER,
McMaster University,
Hamilton, Ont.

Abortion and power

In her study of patriarchal societies, Marilyn French finds that because women hold the future in their womb

When you're looking for a no-risk, high-return investment, invest in Investor's Digest

For just a few dollars a week, the top names in the investment business will tell you where to put your money. Every issue is jammed full of reports, comment, and features that recommend specific investment actions. ■

Recent issues have included reports on: Finance, British Telecom, Black Rock, Norway, Braniff, Federal Industries, Novartis, Well Services, Andris Water, Bell Canada Enterprises, Hawker Siddeley, Genstar, Fulcrumbridge Nickel and many more. ■

And, as investment in Investor's Digest offers no risk. If you're not completely satisfied with the publication, you can cancel, return your free gift, and receive a refund on all un-delivered issues.



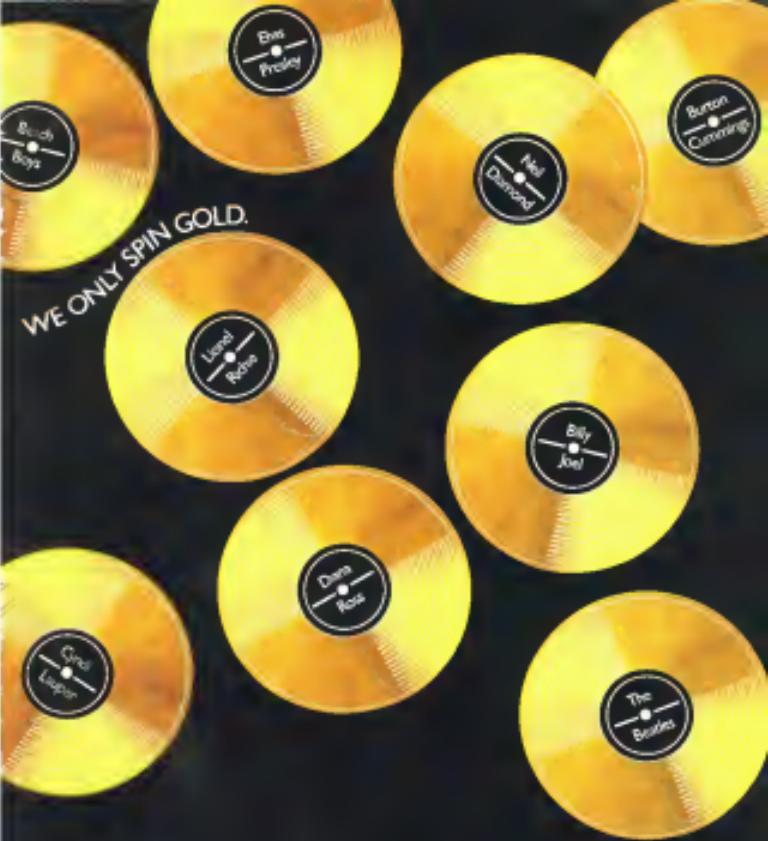
In addition, for a limited time, we will include the amazing CREDIT-CARD-THIN SOLAR CALCULATOR™ as a free gift with your payment. This \$31.95 value is the perfect solution to all your calculating problems. It slips easily into any pocket and passes as a normal credit card. Order today. Remember, with Investor's Digest, your gains include investment institutionalization. From the experts, the credibility of The Financial Post and the remarkable solar calculator.

3-months (6 issues) just
\$29.50

Call
1-800-387-1300
to start your subscription
or write:

**Investor's
Digest**
*C*onfidence

Published by The Financial Post
Markets House Building, 377 Bay Street,
Toronto, Canada M5H 1A1



Old gold, new gold, solid gold. Turn to gold.

When you rise, we shine.

When you stay in a Howard Johnson Executive Section, we make your morning a lot easier to face.

We can you off with a personal, cheery wake up call. With enough morning coffee and a morning paper delivered to your room. Room maids come to help you look your best. Even a free breakfast to get you off to business in a great frame of mind.

The Executive Section at participating Howard Johnson Hotels



—exclusively for the business traveler. When you rise, we really shine!

Telephone 1-800-654-2600 for information, rates and reservations. Or call your Travel Agent.

**HOWARD
JOHNSON**

A good deal. And a good deal more.

they were a part of nature that man particularly needed to control ("A feminist plan to save hamsters," *Book*, Aug. 30). Today, feminists have put their ideas completely under the control of men. Because we bought the idea that abortion gives us control over our bodies, our women no longer hold the future. The feminist plan to save humanity would certainly be more creditable if it made the abolition of abortion its primary goal.

—PEGGY RATHBUN,
Ottawa

Minding our manners

With regard to Peter C. Newman's column about corporate etiquette and *Eyes Judgments* etiquette training ("Lessons from above the mists," *Book*, June 1981), some people can indeed be foisted, but I can spot a phony not in five minutes (it costs \$1000) but just by looking at her photograph with a smile rated in a toast. That phony instantly removed from the scene is a dead giveaway.

—JANICE MASTERS,
Calgary

Bruce and Brynn

Shame on you for giving a cover story to Bruce (Born in the U.S.A.) Springsteen (Cover, Sept. 2) but not to our own Bryan Adams ("The master of rock'n'roll rosinates," *Music*, Aug. 31) I expected better from Canada's national newsmagazine. I guess it's just another example of our country losing it in American culture.

—HEATHER ROBERTS,
St. John's

The bottom line

I take strong objection to the photograph of "sex kitten" Pia Zadora in the Sept. 9 *People* section. There is an new story here, and it is clear that the pierce is included simply to show the bare buttocks of a woman. Interestingly, your *People* section features "Tight" articles on women who can't seem to master the art of fully dressing themselves while the men are tough, intelligent, self-made and, of course, clothed. This trend is sexist, demeaning and beneath you.

—SHERRIE BARLOW,
Ottawa

I appreciate Pia Zadora's fine talent as an actress, singer, dancer, wife and mother, but couldn't you keep her butt bottom out of your magazine? It isn't necessary.

—CATHERINE KREICER,
Windsor, Ont.

Letters are edited and may be condensed. Please include name, address and telephone number. Mail correspondence to Letters to the Editor, Maclean's magazine, Maclean-Hunter Bldg., 777 Bay St., Toronto, Ont. M5W 1A7.



GIVE HER A DIAMOND THAT BURNS WITH A FIRE AS RARE AS SHE IS

DEAR

Quebec's capital of rock'n'roll

It looks like a typical small-town bar. But The Cobain bar in Morin Heights, Que., 30 km northeast of Montreal, with its old pool table, warped wooden floors and cheap, \$50-a-night bar bands, has hosted many of the top stars of the rock'n'roll music industry. Morin Heights, a picture-postcard town of 1,400 residents, carved out of the Laurentian ski hills, is also the site of Le

Studio, the \$6-million complex added attraction to the beauty of the secluded location. Set on the wooded edge of Morin Heights town boundary, Le Studio is accessible only by a dirt road leading off the two-lane highway that bypasses the town. Called Perry Road, the wide, cold-dirt drive, leads through dense maple forest to a 300-acre estate with a private lake. With its tiled wood

shingle roof, it's easily its electrical bill alone exceeds \$60,000 annually.

In order to keep up with changing trends in rock, Perry recently spent \$3 million to upgrade his video facilities. Now, Perry and six video technicians edit videotape, design computer graphics and shoot dance sequences and dramatic scenes for videos and documentaries on a 37-foot-by 30-foot shooting stage. All videos can be reproduced to sound produced in Le Studio's recording facilities—the first in Canada to be outfitted with digital equipment, the parent and most up-to-date technology available. Said Ted Blackman, a Montreal media executive who has known Perry for almost 20 years: "André simply spends every cent he earns on new equipment. He is determined to have the Taj Mahal of the recording industry."

Le Studio's impressive array of hardware has brought new wealth to the town. Perry claims that its presence generates more than \$1 million in local business each year. For 25 years Owen Legault has owned and operated Middle's, a clothing store and coffee shop on the town's main street, where he also answers the police and fire department telephones at night. Said Legault: "Many are a sight for that crowd. They all pay with big bills. They dump a fair amount of money here." Still, locals rarely get full-time specialized work. To build its 36-member staff—which includes computer graphics artists and a sound-recording engineer—Le Studio has had to import most of these free artists such as Montreal.

For their part, residents of Morin Heights hardly notice the stars who pass through. More than half a dozen families, the oldest transmission in the village, may date back to 1885. Most of the local people have never heard showbiz, and they say that living largely free from seasonal work at the nearby ski hills or in private cottage construction, they are used to seeing stars come and go.

The last indifference, however, is gradually breaking down as more and more people move through the town. Some, like Ring, formerly of The Police, soon sit on nearby hills in winter. Said Louise: "We have gotten used to hearing British accents in here. Nobody is especially impressed by rock stars." Gradually, only visitors to the town seek autographs. Sad Police Club owner Wood, one of Morin Heights' two policemen, "It is easy to spot the out-of-towners who come here



Bowie recording *Tonight* (1984) in Morin Heights. (Photo above in color)

Studio, one of the world's most prestigious and productive recording studios. The technical wizardry of Le Studio and its owner, Montreal-born André Perry, have attracted such stars as David Bowie, the Bee Gees, Chicago, Bryan Adams and Spring. And after a recording agreement, the artists are granted use of their surroundings after hours at The Cobain, a 100-seat, only bar in town. Said Trevor Lakin, co-owner of the bar: "Part of the allure of Le Studio is that nobody in town bothers the rock stars. It is my hope they have to line up for the pool table like everyone else."

Le Studio, which opened in 1974, has produced a dazzling array of best-selling albums as its 16-track recording console and its products have won 72 gold and platinum records. But what

RELAX

it's
WOOD

WOODSTUDIO OF CANADA, TORONTO



fil a fil
Dodge Inc.

to gawk at rock stars. We just chase them away pretty quickly."

Perry was fascinated by the music industry and its stars from childhood. A Grade 6 drop-out, who travelled to the United States with a jazz band when he was 14, Perry has been involved in the music industry since he began recording in 1962 when he had his first record in the basement of a friend's suburban Montreal home. By 1970 he had established himself as a leading producer in the Quebec music scene and had signed his clientele from such locally known artists as Jean-Pierre Ferland and Robert Charlebois to international stars. Indeed, when John Lennon and Yoko Ono held their famous "bed-in" at Montreal's Queen Elizabeth Hotel in 1968, it was Perry who supervised the hotel room recording of their protest single *Give Peace A Chance*.

In 1974 Perry and Yael Brandau, his partner in business and private life, opened Le Studio at their Laurentian cottage. One of their first clients—or "gasts" as Perry prefers to call them—was British rocker Cat Stevens, who recorded two of his more obscure albums. Two years later the Bee Gees recorded the sound track album for the film *Saturday Night Fever*. That album soared to sales of more than 30 million copies and secured Le Studio's inter-

national reputation in the industry.

Since he first opened his business, Perry has tried to integrate himself and his business into the community. In 1980 Le Studio even took a quarter-page ad in the town's 125th anniversary commemorative album—an ad calculated to demonstrate the community involvement and aliveness of Perry. Sunday afternoon both Perry and Brandau ride their horses down Village Street, the town's main artery.

Still, most local people do not accept Perry as a native. "I call them the Montreal disco-quebec crowd," said one. Marni Heights contractor, who preferred to remain anonymous because he occasionally does work at Le Studio. "They demand that you get the rock down immediately, but you can't start making noise until 11 p.m. because you'll wake them up." Ronald Pyle, owner of a local restaurant, Melange's, has also experienced a small degree of reticence by Le Studio's foreign fans. Two years ago his restaurant served dinner to the rock band A-ha every Tuesday

night while they recorded their hit album, *Alpha*. Ronald Pyle: "They promised to mail us a copy of the album when it finally came out, but we never got it." Bill Pyle told MacLean's that he enjoyed having the rock business "Most of them are meat and we had to make them special meals," he recalled. "But an hour later most of the rock managers left with a \$100 tip on a \$200 meal."

Indeed, lavish generosity has become part of the local culture, as has the rock'n'roll visitors' lack of preparation for the Laurentians' vaporous climate. Said restaurateur Le-Gallie: "I can't count the number of times that a car has pulled up outside our store in the middle of winter and some foreign rock stars have gotten out wearing nothing but towels thinner than their fees." Yet, he added, "when they need looking after, when they need winter boots and scarves, Perry sends them to us."

—FRANCIS WALLACE in Montréal



PERRY SAWYER, 'JACQUES'

This is the colour of the flamingos at a place we know down south in the Honda Everglades.

But exotic wildlife is just one of the many attractions of Air Canada's

Endless Summer.

Shell-jumped beaches, golfless golfers, and shopping sprees are some others.

Our low airfares and package prices are pretty alluring too. So call your travel agent or Air Canada to book your Endless Summer soon.

AIR CANADA

Getting there
is half the fun, Charles.

COURVOISIER
Le Cognac de Napoléon
LE COGNAC DES COGNACS

New Faces Of Our Great Estate-Holders



PHOTOGRAPHED AT DEAN'S, SECOND-E-BOAR LOUNGE, HOLIDAY INN, TORONTO DOWNTOWN

DRS HOWARD ROCKET
AND
BRIAN PRICE,
FOUNDERS,
TRIDENT DENTAL CENTRES,
AT THE
HOLIDAY INN, TORONTO
DOWNTOWN

THEY WORK 12 HOUR DAYS, including weekends and together log some 300,000 kilometres in business travel a year. In 1979, Dr. Rocket and Dr. Price foresaw the future of dentistry in the concept of delivering dental services from shopping malls, to make it more convenient and accessible for the public. They formed Trident Dental Centres and in 1980 opened their first outlet in a Toronto suburb. The response from the public was overwhelming. By 1985 Trident had grown from a staff of three to a staff of fifteen hundred, becoming North America's largest storefront dentistry group. Today they have over 70 outlets in Canada and the United States, a figure expected to increase by more than 20 each year.

Success like this occurs when business people recognize a need for change and respond to it. Holiday Inn is recognizing and responding to their changing needs. That's why when Drs. Howard Rocket and Brian Price travel on business they stay at a Holiday Inn hotel.

PuroLetter overnight letter service with no weight limit across Canada and the U.S.A. with dependable 48 hour service to the gate-way cities of Europe.

PuroFAX overnight transfer service across Canada door-to-door in less than 2 hours.

PuroLetter

PuroFax

PuroPak

Puro Worldwide!

Whenever you have to deliver within Canada, to the U.S.A. or 165 countries around the world, you can't beat the PuroLator worldwide system. Door-to-door, coast-to-coast, u-to-u, try-to-country. Fast, dependable and cost effective, PuroLator Courier can handle your courier needs.



When it's just got to get there!

Q&A: BILL FORSYTH

Filming the Scots soul

In his four acclaimed feature films—*The Shakening Peeling*, *Gregory's Girl*, *Local Hero* and the star-studded comedy *Bill Plough, Jr.*—Oscar-nominated Bill Forsyth has become a household and affectionate name of his own. Indeed, his movies have shown his Canadian colleagues that films with a strong sense of national flavor can still be successful. Let's meet the director, his wife, Judi Dench, and his two sons, Sam, 27, up-and-coming restauranteur in Vancouver, while Forsyth rounds up visitors for his fifth film, *Born in Scotland*. *Scotland*, the son of *Local Hero*, Forsyth became an apprentice at 17 and went from carpenter and upholsterer to chef before graduating into entrepreneurial short films and then, in 1979, his first feature, *Mission*'s correspondent Gerald Scarfe interviewed Forsyth last month in Glasgow during the Festival of Scottish Enterprise.

Maclean's: Who was your experience of Toronto's Festival of Festivals?

Forsyth: I have spent most of my life in Scotland and I haven't been to a lot of festivals or indeed around a great deal. In Toronto I must other direction. Like me who are in the wings of the studio industry and have a lively desire to maintain independence—people such as Philip Morris of Canada and Paul Cox of Australia and Alan Rudolph, who works in Los Angeles. The experience has given me a sense of belonging; those are things to bitch about.

Maclean's: Why hasn't Canadian filmmakers not made films with the same strong sense of regional identity that you have?

Forsyth: I sense that Canadian cultural differences are less identifiable than in Scotland—that it could be difficult for a Canadian to sit down and think himself into a picture of being Canadian rather than North American. It's easier for me to be a Scot than making films because of the overwhelming feeling of most people in Scotland that they are subservient to England and have a chip on their shoulder. Scottish characters can be presented by a phrase, targeted very quickly. But I suppose one could make a *Comford and Joy* in Toronto. The characters on the periphery are much the same.

Maclean's: Now that your pictures have international prestige, are Hollywood studios eager to finance them?

Forsyth: Financiers are suspicious because I work on low budget films. It is

easier to ask for \$70 or \$80 million for a picture than \$5 or \$6 million. They worry that you are getting involved in something that is unwatchable or, worse, unmarketable. "Unmarketable" is a much more worrying term for them than "unwatchable" because if they can find an

angle to make something unwatchable marketable, they will do it every week. The studio system reminds me of the stock market. People think it's a place of least-headaches. But it actually works in a totally emotional way. The President gets a people in his nose and everything plummets. The movie business is very much like that. People in authority make purely emotional decisions instead of interesting, rational ones.

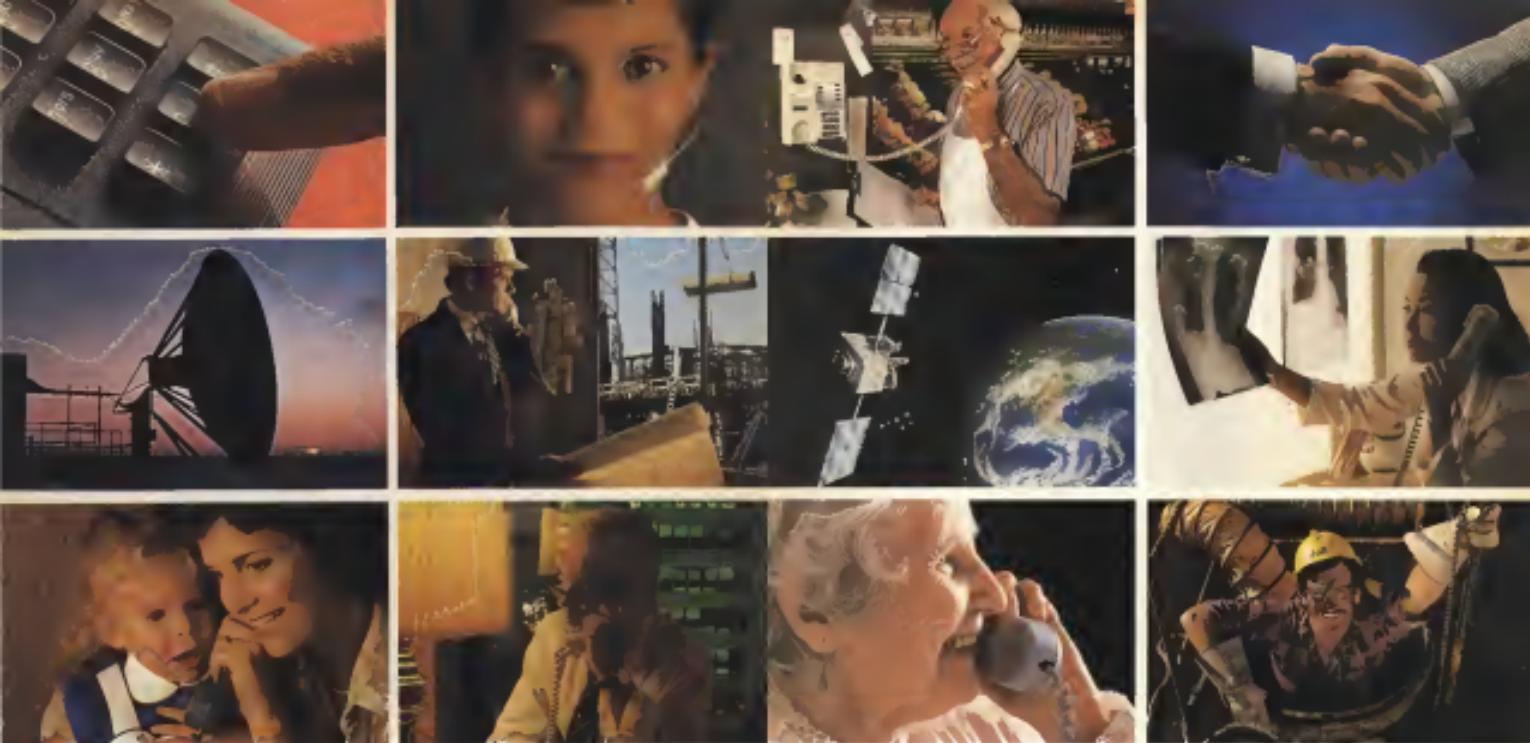
Maclean's: After seeing your earlier work, do audiences expect—despite what your films say—optimism and clarity?



When company comes for dinner you bring out your best.

L'Entre-Côte, white and red dinner wines with a light, dry taste, are perfect for your splendid Sunday dinners.

Any day of the week.



WE PUT IT ALL IN EVERY CALL...

So you get a telecommunications system you can count on.

As a smart business person with many demands on your time, you look for good value in the products and services you buy whether for home or business. At Bell, good value means:

—a broad range of products, services and pricing options so you get what you need. Nothing more and nothing less.
—backup service and support systems—people, experience, equipment and technology—so you

can count on fast, effective service when you want it, where you want it.
—up-to-date technology so your telecommunications system can adapt as your needs change.
—quick and easy access to anywhere in North America and most places

in the world so those day-to-day arrangements and decisions can be made rapidly.

Smart business buys value. Good value means Bell.

Bell
A member of Telecom Canada

Forayth I was quite surprised to find how many people wanted to participate the time I have done. Perhaps naively, I thought people understood what hunger was—that it was important for the human race to cope with the dark areas of life, the problems and terrors. It is difficult to make people want hunger to be in a category all by itself, as pure entertainment. But that has not made me falter in any way.

MacLean's Local Bars ended with "Who goes there?" and that John Werner wrote, dismissed?

Forayth That was one of the early brushes I had with a studio. I was met down by a couple of Werner's executives in Los Angeles and asked if I would like to reshoot the ending. They even volunteered to finance a reshoot. I don't necessarily know what they had but I said, "No, I'm not interested," more out of laziness than anything. The movie had been finished seven months before, and the last thing on my mind was to return to one of those beaches and try to think up a new ending. That experience was quite a surprise. And what I experienced was huge pressure, because Werner was very happy with the movie and happy to distribute it. "Well," I thought, "if this is their best, God help me if they ever have a financial setback."

MacLean's Why do you want to shoot your next project, Housekeeping,



Forayth with son, Sean, backstage

around rural British Columbia?

Forayth *Housekeeping* is from a first novel by Margaret Atwood and is set in a small town in the interior of British Columbia in the early 1900s. We drove through the American northwestern states and everything is so different. It looks like some remote areas now, with mountains and the lakes are polluted with oil spills, so it would be very difficult to re-create the 1900s. Then we crossed the border into Canada and the legitimate were there to be used. We are still trying to raise the money. But most of the film is set in doing winter, so we don't have to shoot until February.

MacLean's What is the story about?

Forayth It is about two girls who do not have a mother, as they live and up living with a succession of female relatives and finally with their late mother's sister, a vagrant. She is almost like a wild animal. The movie is about the girl's desperate attempts to disentangle themselves from her and her almost fatal attempt to be a kind of housekeeper for them and a mother. There are certain romantic elements in the domestic details of the women trying to keep house. If she opens a can of beans, she washes away the label and keeps the can, because a vagrant does not throw anything away. During the course of a year a whole stack of cans pile up in the front room, and newspapers as well. But it is no heart-breaking to call it a comedy.

MacLean's You have often said that your problem is becoming a film-maker and that you were too shy.

Forayth Yes, I had trouble connecting with people. I felt that if I ever had a career as a film-maker I would have to do something about that. I had made experimental films, but I had never worked with actors. To make my first feature, *That Seafaring Feeling*, I went to the Glasgow Youth Theatre. But I was as shy as I was there for about six weeks without actually introducing myself. Finally, the director said, "You'll have to talk to the kids, Bill." They kept saying, "Who is that weird guy hanging around in the back?" It was a big moment for me when I actually had to address them. I did not realize that the idea of someone coming along and saying, "I want to put you into a movie" would be a terrific one for them. The kids compensated for my shyness and lack of experience when we worked together. Because I did not know any better, I tried to talk them into performances that they could do perfectly well themselves. In fact, one of the young stars put me in my place when he said after a while, "I don't know what you are saying, but I know what you mean." You know, Tom Lancaster said exactly the same thing to me as the set of *Local Hero*. But he said it because he could not understand my accent. ♦

On my first night the team of 12 filmakers who administer Canadian aid at the local level took me to God's Hotel. It consisted of several mad-and-foolish houses patched together, and its low consists of three wooden tables standing in the sand. Dimensions at the bar about the effectiveness of Canadian aid elicited mixed responses. In

that corner of Ethiopia Canadian aid is co-ordinated and administered by one agency, the World University Services of Canada. Said Amnon Sosash, whose local track drives "Before the Canadian aid arrived, children were dying of hunger. Since then, none." But Webber Mekonnen, the WUS field

co-ordinator, was more pessimistic. "There is not enough food for everyone and not enough storage space for what does come," he said. "And we don't have trucks to carry more if we get it."

A visit to the children's shelter, a thatched area eight feet by 20 feet that protected more than 100 of the youngest children from the 90°C heat, confirmed that the program is still not comprehensive enough to completely eliminate undernourishment. There, twice a day, children under 3 who suffer from advanced malnutrition received the Com-

LETTER FROM: ETHIOPIA

Life in a hungry town



The Marley Roof

A beautiful way to increase the value of your home.

The sculptured elegance of Marley's timeless design adds more than beauty to your home. A Marley roof increases your home's resale value because the beauty lasts.

And you'll never need to re-roof. Your Marley tiles are covered by a lifetime warranty. This remains valid even if your home is sold several times.

The Marley roof is available in a variety of permanently handsome colors. Discover all the benefits Marley beauty brings to your home. Phone for our free brochure. Call toll free 1-800-268-5694.



Nothing covers your investment like a Marley roof.

CPAir's Orient Express



To Tokyo (Monday Wednesday Friday) and Sunday, and to Seoul Saturday. Additional flights available from Vancouver. Royal Canadian Airline from Vancouver. Call your Travel Agent or Aerocenter. And soon begin CPAir's new "Travel Service Program".
© 1984 Canadian Pacific Air Lines Ltd. All rights reserved. CP and the CP logo are registered trademarks of Canadian Pacific Air Lines Ltd.

Call us 1st CPAir Official airline of EXPO '86, Vancouver

CPAIR • An International Airline • Canadian Pacific Air Lines Ltd.

The evening was simply classic.
The wine was Bouchard Aîné Beaujolais Supérieur.



BOUCHARD AÎNÉ & FILS

dian Food Supplement (OFS), a painless, white, high-protein gelat created by Griffith Laboratories in St. Catharines, Ont. Most of the children weighed less than 80 per cent of what doctors said they should. To achieve normal weight they required five feedings a day, and there was only enough OFS for two.

In one case a mother with a baby sat watching while an older child ate her ration. An older boy's helping of OFS. The older child was relatively strong; the younger one appeared to be fat and somewhat comatose. Everywhere in the shelter, even among the volunteers, had found the mother to make a hurried choice to feed the child who had the worst chance of living.

Unlike the children's shelter, the hospital occupied a real concrete building. But it had no refrigerator to preserve drugs, and anyone few drugs reached God before their expiry date. Three out of 10 people in God's leprosy hospital, possibly contaminated from drinking cow's milk—such a crucial element of the nomadic diet that Bonsu soon tried to time their babies' birth in seconds with that of the cattle's—so that there will be a sure supply of milk for the human babies. In God's leprosy cases one European government had sent an X-ray machine which operated by means of Palamedes film. But Palamedes was not available in Ethiopia. The machine had never been used. Dr. Farah, one of the hospital's two doctors, said, "I have seen many girls from the developed countries that were given in good faith but were inappropriate—disposable diapers, for instance." He added that after dark the hospital handled emergency surgery with flashlight. Said Farah, "What we really need is a generator."

God was trying to deal with human distress as a van does. Still, its social life went on. On Friday nights on Market Road, a strip in the sand where the houses doubled as shops, the people chanted around strategically placed radios for the day's most important social event: the radio's *World Report*. We sat in the dust and listened to reports dealing with dismemberment in South Africa and later strife in Britain. Soon, the night air, which smelled strongly of incense and coffee, grew colder. A Somah man wrapped a wit around my shoulders and ankles against the bones of meagre torso—a wordless act of hospitality.

All around, a 19-year-old Mienoh who kept records of all the food received and distributed in God's from 1980, asked what people would be doing back in Toronto on a similar Friday night. We bumbled, then fell silent—aware that only repeated encounters between two worlds could make it easier to describe the lives of either in a way that would be understandable in the other. ◊

diary Food Supplement (OFS), a painless, white, high-protein gelat created by Griffith Laboratories in St. Catharines, Ont. Most of the children weighed less than 80 per cent of what doctors said they should. To achieve normal weight they required five feedings a day, and there was only enough OFS for two.

In one case a mother with a baby sat watching while an older child ate her ration. An older boy's helping of OFS. The older child was relatively strong; the younger one appeared to be fat and somewhat comatose. Everywhere in the shelter, even among the volunteers, had found the mother to make a hurried choice to feed the child who had the worst chance of living.

Unlike the children's shelter, the hospital occupied a real concrete building. But it had no refrigerator to preserve drugs, and anyone few drugs reached God before their expiry date. Three out of 10 people in God's leprosy hospital, possibly contaminated from drinking cow's milk—such a crucial element of the nomadic diet that Bonsu soon tried to time their babies' birth in seconds with that of the cattle's—so that there will be a sure supply of milk for the human babies. In God's leprosy cases one European government had sent an X-ray machine which operated by means of Palamedes film. But Palamedes was not available in Ethiopia. The machine had never been used. Dr. Farah, one of the hospital's two doctors, said, "I have seen many girls from the developed countries that were given in good faith but were inappropriate—disposable diapers, for instance." He added that after dark the hospital handled emergency surgery with flashlight. Said Farah, "What we really need is a generator."

God was trying to deal with human distress as a van does. Still, its social life went on. On Friday nights on Market Road, a strip in the sand where the houses doubled as shops, the people chanted around strategically placed radios for the day's most important social event: the radio's *World Report*. We sat in the dust and listened to reports dealing with dismemberment in South Africa and later strife in Britain. Soon, the night air, which smelled strongly of incense and coffee, grew colder. A Somah man wrapped a wit around my shoulders and ankles against the bones of meagre torso—a wordless act of hospitality.

All around, a 19-year-old Mienoh who kept records of all the food received and distributed in God's from 1980, asked what people would be doing back in Toronto on a similar Friday night. We bumbled, then fell silent—aware that only repeated encounters between two worlds could make it easier to describe the lives of either in a way that would be understandable in the other. ◊

COLUMN

Swallowing a Yankee faux pas

By Dian Cohen

The vast majority of Canadians—at least, I believe—in God, according to a recent Gallup poll, I wonder if, pressed, they would admit to being in a macho-taking God who makes life embarrassing and difficult for Canadian policymakers.

The existence of such a God appears likely if our recent encounters with the Americans are any indication. We had so sooner sanctified Americans, still referring to Japan as their best trading partner than the Polar Sea shone through our territorial waters without even a by-your-leave.

The Americans believed that gods by neglecting to invite us to last weekend's hastily called New York meeting of the world's most exalted financial masters and bankers. That meeting was convened in order to discuss how the international economy might be stabilized and to work an agreement on wages in which the U.S. dollar might be devalued.

Now Canada has a huge trade surplus with the United States. As its biggest customer, we will be the hardest hit by any protectionist measures enacted by the U.S. Congress. And we are probably on the verge of initiating balance-of-trade changes in our trade relationship. One would have thought, or presumed alone, that Canada would have received an invitation.

The flight is real. But given the circumstances in which Washington is currently operating, we should swallow our pride and approach the meeting, closing that gate, when weaker Canadian economies pale in comparison.

It is easy to blame the members of the U.S. trade deficit. With American theorists, however, high U.S. interest rates and low taxes get the American into their trade deficit problem; they need simply to apply appropriate austerity policies and get themselves out. That is an easy position to take, but a short-sighted one.

The reason that Canada must show more understanding is that President Ronald Reagan's policies, which many at this country privately lauded at, will bring the global economy out of recession—even if his country is not suffering from the President's cure.

In 1982 he faced international pressure for an economic recovery, and every country wanted them to be export-led. The United States made that possible because of that impressive

the benefits of war, free-market capitalism. Reagan believed that if he lowered taxes and did not regulate the market's free-market forces would lead Americans to build up savings or invest their resultant wealth of base.

These were a novelty, but it came about instead because millions of people, including the Japanese, Canadians and Latin Americans, bought U.S. dollars while Americans bought other countries' exports. In the past three years even the Third World's debts have risen more through extra exports than they have had to pay in higher interest payments. As a result, their debt-service ratios—the percentage of their foreign exchange that goes to pay interest on their debts—have fallen.

The United States has, in effect, pump-priced the world out of the 1980s recession. But the next stage in Reagan's plan is which the world was supposed to settle down to a sustainable level.

The United States' economic recovery was possible because of Reagan's faith in macho free-market capitalism

three-to-four-per-cent growth rate, has not happened in schedule. As long ago as the 1980 Williamsburg economic summit, the leading industrial countries—not that anyone, Canada included, agreed that co-ordinated interest rates, tax policies would be needed to arrive at the steady growth state. It was anticipated that the major currencies of America, Britain and Japan would not move to intervene in the foreign exchange market to lower the value of the U.S. dollar.

It is clear that steady growth will prove happen without concerted effort. In Reagan's plan it made sense for the United States to restructure its barrier-free shores already? If this were to succeed in its own country and if the rest of the world were to increase its exports to America, then the risk of funds into the United States is now beginning to imperil Americans. The announcement two weeks ago that the United States had turned into a net debtor country—at once could be the world's largest net debtor—indicates the depth of that imperilment.

The rest of the world must under-

stand that there can be no long-term benefit for anyone to continue to export into the United States business with a growing trade deficit. First, exports do not a sound economy make; all economic growth needs strong consumption and investment at home as well. Second, because the U.S. dollar remains so expensive that American manufacturers cannot compete abroad, Canada is slipping inexorably into protectionism.

In fact, because U.S. manufacturers cannot compete with low-cost imports, U.S. industrial production has been stagnant for nearly a year. Meanwhile, domestic investment within the United States is increasingly shifting from competitive manufacturing to the non-competitive goods sector, into such areas as services and real estate.

These areas produce jobs—that is how the U.S. unemployment rate keeps dropping despite the stagnation in industrial production. But the trend to build office buildings, condominiums and an efficient service sector means that there is virtually nothing to export in order to earn money to pay off foreign debts. And those debts are projected to swell to a trillion by 1990.

And that is not the end of the current distortions in the world's financial and trading systems. There is now as much of the world's money concentrated in the United States that a host of arcane techniques, such as hotline telephones and white knights, have been invented to charm in around.

Last week's initiatives mark the first step toward reorienting the international and individual. Whether this is good or bad, and what it means for Canada, remains to be seen. Not only must the U.S. economy be rebalanced, but Europe and Japan will have to reform their own policies if they are to attract their share of investment, while Canada must increase domestic business confidence by ending its existing addiction of free trade and the Manitoba government's misguided reforms. National pride is not the issue. Three-quarters of our foreign trade is with the United States; the search for other markets has been so few. Even Europe, which took a quarter of our exports 20 years ago, now takes only eight per cent. So although we were not invited to the table, we must find the good sense to support the initiatives taken last week in our absence.

Dian Cohen is a Montreal-based economist and writer.



MULRONEY UNDER FIRE

On the most brutal day of a raucous political week, Prime Minister Brian Mulroney faced a critical challenge. At 41, a year-old government tried to shake off a growing cloud of scandal he stood behind, in another final-day question in the Commons about the resignation of Fisheries Minister John Fraser, the British Columbia who left the cabinet earlier in the week following a storm of protest over his han-

personnel minimum from two important provinces within 32 hours left the Prime Minister with the most serious crisis since the Progressive Conservatives took power with a mandate for change

how a crisis plays out on television.

The announcement of Manas's departure as communications minister in the Commons took place at the end of Question Period, as most Conservatives gathered

Ottawa's attempted \$25-million rescue of the Edmonton-based Canadas Commercial Bank, which collapsed on Sept. 1, and about its efforts to keep Calgary's Northland Bank alive (page 40). But New Democratic House Leader Ian Ihssen, "There is a lot of doubt in the opposition, and I think, outside about the basic honesty of the government as a whole." Charged New Democratic Party Leader Ed Broadbent, "The government has moved from a state of crisis to one of collapse and utter chaos." And Liberal MP Doug Franks said, "Two weeks ago you

resignation ultimately may have fanned out of his public disagreement with Mulroney about the sequence of events leading up to Ottawa's decision to order the fish off the market on Sept. 18. Having said that, and that he passed details of the position to the Prime Minister's Office "several weeks ago," Fraser then reversed his position but had weak. Mulroney learned that a two official telephone conversations between him and Fraser on Sept. 20 and dictated the clarifying statement that Fraser issued over his own name three days before his departure from the cabinet.

post year. Within hours McCann telephoned CP to decide that after checking with Patrick MacLean, a Mulroney aide responsible for crisis liaison, he was convinced that he had not caused the issue to occur. In the Commons, Mulroney stated that Manas had not been in Ottawa since June because of illness, and the Prime Minister added that the New Democrat's visit had aggravated the matter in Ottawa. Declared Mulroney, "No member raised that issue in our caucus in my presence and, I've informed, in the presence of anybody else." Predicting the price by Opposition Leader John Turner, Mulroney declared, "I take the heat. That is what it is absolutely." McCann contrasted the new agency's third term and insisted that there had been "no pressure from the Prime Minister. Pat MacLean or



Fraser resigned Sept. 22, 1989

ding of the tainted tuna fish affair. Looking tense, tired and grim, Mulroney sought to square things that he had not visited Parliament about when he first learned that Fraser had allowed more than one million tons of tainted tuna on the market. He also confronted opposition opponents of his conduct in the Watergate scandal that brought down U.S. President Richard Nixon in 1974. What only Mulroney and a few members of his inner circle knew was that the word was passed to issue the investigation of the Prime Minister's trusted Quebec minister. Marcel Manas became of an under investigation of his election campaign spending last year.

The resignation of two senior and ex-



Mulroney resigned Sept. 26, 1989

last September. The events of the week—including conflicting statements about when the Prime Minister knew about the circumstances that forced Fraser and Manas to resign—raised major questions about the young government's competence and credibility. And the details of the government's reaction to the case after raised the issue of whether Mulroney's encourage makes decisions largely by anticipating

and their papers and prepared to leave the chamber. The minister stammered with his announcement. Manas, a member of Mulroney's powerful inner cabinet, declared that he fully expected to be censured but he added that he felt obliged to resign because changes could be laid that could "raise doubts about my integrity."

As well, the opposition asked pertinent and tough questions about

Light burning late in the Prime Minister's Office, ours and the RCMP
could not have sat down and written a script this wild."

Underlying the week of crisis were controversies about the role that Mulroney's office played in keeping him properly briefed on important developments—and how his advisors attempted to control damage by using the power of the Prime Minister's Office. Fraser's

The Prime Minister insisted that he learned about Fraser's decision only after CBC television's public affairs program *Eye File* reported the affair on Sept. 17. Then, in an interview with The Canadian Press last Wednesday, New Brunswick Conservative MP Fred McCain said that he raised the issue with the Prime Minister's Office. Fraser's

anybody else on me as to what I should say on this matter."

On Thursday, Mulroney faced a similar dispute arising out of conflicting claims about when he first knew about the RCMP investigation of Blasie. Gerry Lampert, the Conservative party's national director, declared that "senior people" in the prokloski several months ago that Manas was being investigated for "irregularities" in his campaign spending. Mulroney insisted that he learned of the minister's problems only hours before Manas resigned. And the Prime Minister said he had questioned an senior staff who assured him that they were not told in advance about Manas's problems. Mulroney claimed

singers, might have unanswered or reporter Robert McCall's questions.

Within hours McCullum called or again and denied that he had ever raised the issue with Mulroney. He acknowledged that he had asked MacLean to check his recollections of Mulroney and that he had asked Mulroney if he had "any record of my making a presentation that I couldn't remember having made him to him or the Prime Minister on that subject." After calling the two and talking to other colleagues, McCullum concluded it was "a simple mistake."

Finally, in a third conversation with the newsman, McCullum insisted that the two had not pressurized him to change his story.

Tragedy Armed with MacLean's initial statement, opposite page, McCullum twice during Question Period confronted Mulroney in Ottawa. "Does the Prime Minister remember Richard Nixon?" demanded the SNP's Howard McCurdy. Declared Mulroney: "I remember Richard Nixon, who was an annihilated co-conspirator... a very tragic figure in American history. His problem was that he failed to respond fully and completely to legitimate questions—unlike me, who responded completely before the House and the Parliament of Canada."

As the combative tone continued to dominate the Commons benches the next day, Broadbent called a news conference to demand that the house affair be sent to the Commons committee on privileges and elections to remove it from the House. The allegations and challenges to the Prime Minister's integrity were, declared Broadbent, undermining respect for Parliament. He added, "We've gone almost to the limits in Question Period on this without destroying the whole process."

By that time Mulroney knew that the crisis gripping the government was about to get worse. At the Conservative's regular Wednesday morning caucus meeting, the Prime Minister told his MPs that they faced more than 20 days but except for the Prime Minister, Senator General Pierre Beatty and Wiser himself, few if any now realized that Mulroney's warning extended beyond the tax scandal and the banking crisis.



McCullum confides over who knew what about the tax

Issue this morning that I am the subject of an inquiry with respect to a presumed offence with respect to Sections 61 and Section 63 of the Canada Elections Act during the last election campaign in the riding of Provencher."

Hush-hush While MacLean added that he deserved to be censured, he told the House that he decided to resign his portfolio because any charges "would reflect on the government." In fact, authorities are investigating complaints of excessive election spending or the submission of false expense declarations by 15 people who ran in the last election.

According to William Fox, the Prime Minister's press secretary, Beatty spoke to Mulroney the day before MacLean's resignation. The attorney general told the Prime Minister, said Fox, that the Macleans had informed him they were investigating a minister for possible election spending irregularities. Fox said that MacLean did not ask for a name. Beatty did not supply one, and it was not until after the prime minister's office raided MacLean's riding office in Thiffault, Quebec, that both MacLean and Mulroney were informed of the first trial.

Parliamentary director Lampert said that he notified senior Mulroney aides, but not Mulroney, several months ago that MacLean was under investigation. In the Commons, Mulroney said that he had only learned of the investigation last week. He stated, "It may very well be that Mr. Lampert indeed informed a senior person of the fact that an alleged infraction may have been committed by the minister of communications, but that person was not a member of my staff." Mulroney announced later that he had appointed Alberta MP Peter Elsterga to conduct an "urgent investigation" into the issue of who knew about the MacLean investigation. Elsterga then declared that Mulroney's handling of the issue had been "beyond reproach."

Patience The Prime Minister also had to deal with the press. He named Régis Léveillé, minister of state for transport, to temporarily assume MacLean's duties and Deputy Prime Minister Eric Nielsen as interim fisheries minister. Because MacLean could return to the cabinet if he chose his name, Mulroney was expected to delay naming a permanent replacement. But Prairier's resignation posed a more pressing problem. While Mulroney still has seven Quebec ministers, there are now only two BC ministers in the 38-member cabinet.

The deeper concern for Mulroney was the need to address the doubts about the government's credibility and efficiency. Other governments, in other times, have overcome crises that were just as severe. Mulroney and his government could emerge from the current controversy intact and strengthened if MacLean clears his name, and if Mulroney has learned

Canadians that he was scrupulously candid in all his statements to Parliament. At week's end, Mulroney faced the need to restore the image of his government. As he told a press conference, politicians are judged not by their good days but by the bad days that follow. And now Adden Mulroney is in a masterstroke of understatement: "We had better days."

—RON MACLEOD with
PAUL MACLEAN and
BOY MACGREGOR in Ottawa



Anderson not on TV



**Wiser's DeLuxe.
10 Years Old.
Time and patience
still have their
rewards.**

The sooner is seldom the better. We've learned to keep our barrels around longer.

Because we know that older wood makes mature whisky more mellow. It's a painstaking process we've preserved from our founder J.P. Wiser's day.

But we know that our time and patience will be rewarded in the smooth and distinctively superior taste of Wiser's DeLuxe.

J.P. Wiser said it all, over 125 years ago,
"Quality is something you just can't rush."



The eclipse of a Tory star

Theftford Mines, in Quebec's Eastern Townships, is often described as a town of no history. Once a prosperous mining town, it has become an atrophy decline since health and environmental concerns led to a downturn in demand for asbestos in the 1970s. Since 1979 thousands of families in the area have moved to more promising parts of the country as the three principal mining companies laid off workers. Factories and government buildings of asbestos waste ring the town center, and the sense of apathy, silence and despair mark an outskirts. Still, it was in Theftford Mines that Conservative Leader Brian Mulroney looked in 1984 when he needed a launching pad for Marcel Masse, one of the brightest and most promising members of the federal party's Quebec wing. Masse went on to enter the Commons as the MP for the region and rise to prominence in the cabinet. Then, last week he suddenly announced his resignation as communications minister.

Opener: An intellectual with a 30,000-volume library and a taste for opera, Masse had never wanted the task when Mulroney asked him to run in the surrounding riding of Frontenac in last September's federal election. As well, Tory strategists gave Masse little chance of besting the Liberal incumbent, Leopold Cormier. But the energetic Masse took a leave from his job as a top executive for the giant Montreal-based Lavalley Inc., engineering firm and ran a remarkably effective campaign. When the results came in on Sept. 4, Masse had won the riding by more than 16,000 votes.

Just over a year later Masse announced that he felt obliged to resign because of an RCMP investigation into alleged spending violations in his campaign. His abrupt departure from the cabinet shocked Mulroney's team of senior Conservative ministers and surprised local politicians in Frontenac itself, where there had been no hint of campaign irregularities.



Masse: His resignation letterhead (right) Canadian cultural community

the Canada Council. "I would like to say, 'Hooyah, I'm delighted,' but I'm not. I feel for the man. And I feel sorry that it had to happen this way when things were looking rosy."

Worries: Masse made his Canadian announcement only hours after other ministers arrived with a search warrant at his constituency office, on the third floor of an office building on Theftford's main street, Notre Dame Sud. After searching the office, the Mounties left, taking documents with them according to a later affidavit filed in the

Masse's resignation also stunned and dismayed many members of the Canadian cultural community. The departure took place just as Masse, after a year in office, finally forums criticism from the cultural community — to establish with local party officials, including treasurer Gilt Blanchard. According to Gauthier's statement, the minutes of that meeting showed that the Conservative officials decided \$30,000 was needed to pay legal campaign expenses. But Masse's organization had submitted the final election expenses report, which the Canada Elections Act requires, nearly three months earlier. According to the riding's chief returning officer, Henri Blanchard, that report showed that expenditures for Masse's campaign totalled \$32,941. That was well within the permissible limit under federal law of \$32,500. But the additional \$3,000 expenditure put spending well over the legal federal limit, based on a constituency's population and size.

Inquiry: Blanchard said that he received no complaints of irregularities during the campaign. He told Mulroney's "There was no apparent reason to believe anything was wrong. I am as surprised as anyone." The man declined to say who had had the complaint that sparked the inquiry, and local Liberals denied that they were responsible. But Cormier told Mulroney that during last summer's campaign he was advised about the cost of Masse's well-organized and well-exploited campaign, which featured glossy posters and advertisements. Still Cormier said, "I did not complain even though I always believed my adversary, judging by the use of his organization, could not have been limited to the words forwarded by the law."

If Masse, 48, is charged and convicted of "wilfully" committing an offence under the Elections Act, he could face a fine of as much as \$6,000 and up to five years in prison. It is being investigated under two sections of the act — Section 61, which sets limits on the amount that can be spent in a campaign, and Section 63, which deals with false reporting of



Bitterly: a depressed town with hopes of improvements from its hardworking MP

election expenses. But Masse confidently declared in his resignation statement that he fully expected to be cleared. And Mulroney indicated in his letter of reply to Masse that if that happened, he would be given back the former minister's desk. While the \$30,000 expected to come from investigations, Masse could be asked to pay. Mulroney cabinet sources say if he is cleared,

Many of Masse's constituents say they hope that he will indeed be exonerated. As a member of the Mulroney government's key Priority and Planning Committee, the hard-working Tory minister had considerable influence, and local residents had anticipated that he would use it to bring new industry to the depressed area. Said Theftford Mines Mayor Marc Bergeron: "After all there was a closed over 100 years."

Frontenac's chief returning officer, Blanchard: "I am as surprised as anyone."



country's features film industry to Canadian control. Perhaps as an immediate indication of a shift in government policy, Industry Minister Sinclair Stevens announced on the day after Masse's resignation that he had approved the \$10-million merger of Classic Bookbinding (International) Ltd., one of the largest Canadian book stamp dealers, with British-controlled W.H. Smith Canada Ltd. Said Brian Anthony, director of the Canadian Conference of the Arts, "We are losing him at a time when we most need his support in the cabinet."

Laws: Only six months ago few members of the cultural community would have considered Masse's departure a loss. The initial critical reaction to the minister was that he had the wrong background for his job. A career high school history teacher, Masse first became involved in politics as a follower of Union Nationale leader Daniel Johnson, and in 1966, when Johnson became premier, Masse became the youngest cabinet minister in Quebec history — at age 36 — as Johnson's minister of state for education. After Johnson died in 1968, and his party crumbled, Masse drifted to the federal Tories and into the corporate world. By the time Mulroney approached him to run in 1984, he had become a London-based president with a salary of more than \$200,000. As communications minister, he supervised preparations of Canadian culture in as early as January. Last November he ordered a \$75-million cut from the budgets of the CBC and Radio-Canada, and \$30 million from the funding provided to the Canada Council. Initially, too, many members of the cultural community in English-speaking Canada found the francophone minister, with his imperfect command of English, arrogant and insensitive. "Masse enjoyed power," said Timothy Porteous, whose Masse first as director of the Canadian Council. "Some people were scared of him, and some felt they should cultivate him."

Ambitions: But attitudes toward Masse gradually changed. Said Robert McFarland, editor of Saturday Night magazine and a traditional defender of the arts in Canada, "Masse was becoming a very good communications minister. He is extremely intelligent, he has a lot of energy, a lot of ambition. And he was trying to look freshly at the cultural institutions in this country; he didn't just accept the ways things have been done for 15 or 20 years." Now, as the Mulroney government pursues its goals without Masse's strong presence, many of his former enemies hope that he will return to fight another day.

—MICHAEL GREEF with
ANTHONY WILSON-SMITH in Theftford Mines,
HELENE MACDONALD in Ottawa and
ERIN WALLACE in Toronto

History's painful political lessons

It happened in Canada's first Prime Minister, Sir John A. Macdonald, just 122 days after he formed the first government. His minister of finance, Alexander Tilloch Galt, resigned on Oct. 23, 1867, rocking the young government and delighting the opposition, which naturally insisted on knowing precisely why Galt's reasons were never fully stated, but they were a shadowed all the same by those who had served in the first cabinet with him—Macdonald had been taught for his role in Confederation, and Galt had not. But whatever their motivation, the impact of cabinet resignations—from Galt 138 years ago to Pierre Trudeau and Georges Martin, John Turner and Communications Minister Marcel Masse last week—ranks second only to actual election defeat as a government's political stress chart. As Roger Whelan, who served a decade in the cabinets of Pierre Trudeau, told *Maclean's* last week, "It shakes them right down to their toenails."

Indeed, the intensity of the events of the past week was enough for longtime Canadian observers to wish the New Democratic Party still had stately Colin Cameron in its ranks. Twenty-two years ago, when Liberal Finance Minister Walter Gordon was about to resign and Prime Minister Lester Pearson seemed on the verge of tears, Cameron rose in the House, shook his head and said: "For heaven's sake, pull yourselves together!" We cannot afford any more of these futilities, any more of these misjudgments, because all the rest of us Canadians have to come along with you at the ridiculous spectacles you are presenting to the rest of the world."

Scandal: Nothing so intrinsically a re-ligance as the son of scandal. In 1976 Solicitor General Francis Fox was forced to leave after having committed a forgery which enabled a friend to obtain an abortion, similarly, the resignations last February of Mulroney's defense minister, Robert Coates, followed disclosure that he had visited a West German strip club. Yet Canada has a decidedly tame history of scandal and resignation compared to most other countries. The usual maxims applied by Coates' resignation pales by comparison to Britain's celebrated not and nearly scandal of 1963, when State Secretary for War John Profumo resigned after he admitted that he had

about the nuclear policy by Defense Minister Douglas Harkness and the U.S. state department. Diefenbaker demanded a costly sack from his remaining ministers and threatened to fight an election over U.S. interference. Harkness and eight other ministers refused to back the Prime Minister and quit.

Disaster: That was the beginning. The end for Diefenbaker. In contrast to



Diefenbaker (center) with Pierre Trudeau and George Pelton of 1968 controversy

him in Parliament about charges that Diefenbaker had lied to 25-year-old call girl Christine Keeler.

Controversies: A scandalous moment between a Canadian government in the Commons in 1973. At the time, it was revealed that Macdonald's Conservatives had received \$380,000 in campaign contributions from Montreal railway magnate Sir Hugh Allan, who was bidding for the contract to build the railway to the West Coast. But other controversies have set the stage for subsequent electoral defeat. In late January and early February of 1968 three ministers abandoned the shaky cabinet of John Diefenbaker in connection with the Prime Minister's reversal of government policy on an agreement to station nuclear armaments on Canadian soil. In a crisis forced by contradictory statements

Mulroney's comfortable majority—211 seats out of the 282—Diefenbaker was forced to cling to power with just 116 members in a 285-seat House. Tonight a Liberal nonconfidence motion on the day after Blackader's resignation, five Tory ministers plumped with Social Credit Leader Robert Thompson and his 56 followers for support. They got it, but only after agreeing that they would seek Diefenbaker's resignation. Diefenbaker, however, persuaded his caucus to back him against the five dissenters. As a result, three days later Minister of Trade and Commerce George Hees resigned along with Pierre St. Onge, Harkness's associate minister. Two months later the Tories were out of power, where they remained for 16 years.

Liberals, too, have had

trouble in 1985. Finance Minister Walter Gordon resigned after the election he had urged Pearson to call did not produce a majority government. Among the other departures was Justice Minister Guy Perron, the Prime Minister's chief lieutenant in Quebec. An aide to Pearson had been named in a report on the Lac-Mégantic bribery scandal in 1984 and 1985. The justice minister informed the Prime Minister during an informal discussion that the RCMP was investigating Perron. But Perron first told the Commons that he had not been informed. Later Perron admitted he had, in fact, been told about the case, claiming that he had forgotten the conversation with Perron.

And as for the Trudeau years, the long list of controversies still serves as a reminder that a cabinet crisis does not immediately end a government. Between 1968 and 1980 the ranks of the departing included ministers who left because of policy disputes, political maneuvering, disagreements with Trudeau or a desire for new careers. The list includes Paul Hellyer, Eric Kwayana, John Turner, Gérard Pelletier, Jean Marchand, Mitchell Sharp, Pierre MacKay, James Richardson, André Ouellet, Bob Duncy, Donald Macdonald, Francis Fox, John Munro, Ron Beader, and Roger Simonsen.

Contest: What Liberals seem to do better than Tories is damage control. That may, of course, be directly related to the years of tenure on the government side. The Liberals have held office for 42 of the 50 years since the defeat of Conservative Prime Minister R.B. Bennett in 1935. Tories have had on-while-practice-at governing that it was perhaps predictable that, approaching mid-term, during last week's emergency debate on banking, Liberal Lloyd Axworthy would echo Colin Cameron's Authority Board's speech to a new comedy series called "Another Night on the Bamboo."

There is also the valid—and not negligible—that point that Tories are less predictable than most Liberals, so mystery of whom arrive in Ottawa from educational and legal institutions where Ettinger is part of the training. Said Alan McMillan, defense minister under Jim Clark in 1979-80: "Conservatives are different. They're mostly self-made. They like their own advice. They form their own opinions."

Yet it is the future that worries Brian Mulroney now. As he moves farther away from the week of the Fraser and MacKay resignations, he will undoubtedly have to recall some version of the very advice Alexander Galt once offered but obviously did not follow: "The policy of this government should be to avoid every possible cause of irritation."

—BOB MACCANNON in Ottawa

A minister in exile

On the morning after car salesman's the *Alpha* estate association's report on James Fraser's decision to allow the sale of farmed fish, the 35-year-old fisheries minister was chomping with several of his departmental officials. Fraser lightly asked the bureaucrats what they planned to have lunch, then called for lunch. As one fisheries official

sneered, dedicated to looking after the interests of what they refer to as "the little guy" and distrustful of the federal bureaucracy. In the tuna controversy, many of those traits were evident. He decided that instead of jeopardizing the jobs of 400 workers at a New Brunswick cannery, it was better to release for sale tuna that, while not a healthy harvest, was raised and decomposed. First elected as an MP in 1972 for Vancouver South, Fraser ran for the Tory leadership in 1979, but he finished eighth. He held two cabinet portfolios simultaneously in Jim Clark's short-lived Tory government, in 1982—an environment minister and postmaster general. After the government's defeat, Fraser remained a strong supporter of the former prime minister, Brian Mulroney. However, a local food riot in Vancouver, where he has lived since 1974, has dimmed Fraser's luster. In Clark was characterized as his personal. It was based on loyalty. Since his in politics are a little more hard-nosed than that."

Rescue: As fisheries minister Fraser pledged to meet fishermen to address their problems. But they claimed that that did not always happen. Allies Billard, executive director of the 7,500-member Eastern Fishermen's Federation, said that Fraser's work fault was "trying to please too many people all of the time. That got him into trouble." Added Fred Peacock, president of the Pacific Fishermen Association: "He had too much work to handle—too much stress." Indeed, colleagues say Fraser was often exhausted and found it hard to relax. Last May his health and behavior were the subject of news reports during a visit to Vancouver.

Fraser's downfall was a dramatic reminder to many sets of the severity of national politics and the fragility of careers. Indian Affairs Minister David Crombie, for one, said that every minister worries about becoming embroiled in a political controversy. "Many of the judgments you are called upon to make," said Crombie, "are not good or are even bad ones. Those are the easy ones. The real hard judgments are 51-49." For her part, Mary Collins, a rookie Conservative MP from Vancouver who regarded Fraser as a mentor, said that the former minister did the proper thing by resigning. But she added, "It makes you think, there but for the grace of God go I."

—PAUL GINSBURG in Ottawa with DALE O'HARA in Vancouver and CHES WOOD in Halifax

Wilson's rites of passage

For months the proud and powerful mandarins of the federal finance department watched their minister lose a series of cabinet battles. Michael Wilson failed to stop expensive government spending projects like the \$15-million rescue package for the Montreal petrochemical company Petro-Canada last October. He was unable to achieve his objective of removing the universality of some social programs. And his cabinet colleagues fought his efforts to reduce their departmental spending. Then, one senior mandarin telephoned an outside consultant to seek advice on how to improve Wilson's standing with the prime minister. The consultant replied that there was nothing he could do. "It was almost an abandoned plan of 'Help, help,' " the consultant told Maclean's last week. "But the operating philosophy of this government is different from other governments. Mike does not have authority to impose his views."

Indeed, informed sources say that one of the major problems facing Finance Minister Brian Mulroney's government is the finance minister's lack of political power. When the Conservatives were elected last year they declared that their relationship with the business community was sound. Nearly 12 months later many members of that constituency are disillusioned—and skeptical that the government will make significant reductions in this year's projected deficit of \$33.7 billion. They insiders say that Wilson clearly wants to make the spending cuts but that Mulroney insists all changes take place gradually—and with minimal conflict.

Mishaps. At the same time, Wilson himself has been involved in a series of political mishaps and reversals. Even the storm surrounding last week's cabinet resignations did not obviate his political problems because the opposition continued to attack the federal decision to rescue the now-defunct Canadian Commercial Bank (page 40). "They are not leaving the business of business to business the way they said they would," declared Adam Strommen, president of Kavadas Inc., a Toronto-based mining company. "We do not feel betrayed—and it's significant disappointment."

Still, Wilson is not without defenders. They praise his integrity, his solid intellect and the soundness of his economic views. But like a surprising number of



Wilson in Ottawa last week; d'Amico right; lack of political power

his critics, they display a marked reluctance to have their comments attributed directly to him. One exception was Summers, who went out of his way to praise Wilson. "He is a fine fellow—blue ribbon."

But last week details of the \$33-billion bank rescue continued to echo in the Congress. Although insiders say that Wilson had serious doubts about the wisdom of the rescue, evidence last week indicated that he gave more credence to the belatedly harsh bank executives than even the six major banks felt was justified. Toronto Dominion Bank chairman Richard Thomson, for one, told the Commons finance committee that the six major banks recommended replacement of the ccir's management. But March—but the government, he said, refused to act. As well, Ottawa accepted the ccir's account of its portfolio.

Judgments. These problems are exacerbated by the fact that even Mulroney apparently does not trust his minister's political judgment. Sources say the Prime Minister and members of his office still often intervene in major decisions that are traditionally left to the

finance minister. For one thing, Wilson and in March that his May budget would not include a general tax increase because it "puts a dampening effect on the economy." Then he increased the tax burden on corporations and individuals. Members of some lobby groups report that during the pre-budget consultations officials in the Prime Minister's

same time, Wilson's apparent inability to cut the deficit significantly has put him on a collision course with the business community. Still, they insiders say that Wilson is one of the few remaining ministers who is still calling for deep spending cuts. Such powerful cabinet members as Regional and Industrial Expansion Minister Steffie Stevens



Office encouraged them to make presentations to them as well as to finance department bureaucrats.

Insiders add that Mulroney's senior policy adviser, Charles McMillan, played an extremely active role in shaping the budget. And they say that McMillan's recent loss of visibility in an office shuffle is partly a result of his decision to support the budget proposal which divides a portion of the old-age pension—an action that provoked a wave of protest. Two months ago, Mulroney appointed Montreal lawyer Stanley Hartt as deputy finance minister—and Wilson learned of the appointment only when it was announced publicly.

Autonomy. To lain Ressell, executive vice-president of Madison's Bay Co., anything Wilson needs more autonomy in order to function effectively. He added: "We have an inkling of how the Prime Minister seems to be dominating and dictating rather than listening to the minister. [Wilson] may not have the power with the Prime Minister's style of management. At the

new say that promoting economic growth is a better way to reduce the deficit than cutting programs. As a result, they insiders predict that Ottawa will not cut more than \$1 billion from government spending in the next budget—especially in January or February.

Cuts. Many business leaders say that the next budget is the government's last chance before another federal election, in 1990 or 1992, to get the deficit under control. As a result, they are planning to press throughout the fall for bigger cuts. Paul Thomas of d'Amico, the president of the Industrial Business Council, a National Issues Council, "We are the leading up to the next budget as the last opportunity in this government's mandate to really do something to make a difference in the deficit." He is asking for \$4 billion in cuts next year. "If we were \$4 billion, and if we do not get \$4 billion, we are going to be disappointed."

These business community sentiments clash with Mulroney's strategy of "gradualism." Prairie Tory polls show that Canadians approve of Mulroney's

attempt to reduce conflicts. To that end, Mulroney has set out to increase the public's economic knowledge—and create a widespread demand for deficit reduction. That may be a difficult undertaking. A Gallup poll released last weekend indicated that 66 per cent of Canadians feel that reducing unemployment should take priority over balancing the budget. Unless Mulroney can make spending cuts more popular, Wilson will not likely be able to make them.

Mistakes. Wilson has made mistakes of his own during his first year in office. The finance minister gave Canadian a lifetime exemption of \$60,000 from capital gains tax. But as federal finance critic Denis Johnson pointed out, that exemption does not exclude foreign transactions or even profits from the sale of such items as art works or stocks. Added Johnson: "It has to be the stupidest mistake I have ever seen. There is a real incentive to sell—and no incentive to invest in productive assets."

Many mainstream Conservatives also say they are concerned that Wilson is not in touch with the needs of average Canadians. They declared that if the minister were forced to follow his instinct, spending cuts might be so deep that unemployment would skyrocket.

New Democratic Party finance critic Nelson Birn said that Wilson's outlook is severely limited. "He is the Clark Kent of Bay Street—he wants nothing to do with the telephone booth," said Birn. "I do not believe that Michael knows what it is like to be a businessman in Kiplupe who has lost his business—and that is going to result in his demise."

Wilson's defenders say that the minister has changed the direction of the government—and has won some rarely noticed victories. They point to such initiatives as a review of unemployment insurance, a budget discussion paper on the corporate tax system and the budget measures to encourage the entrepreneurial spirit. Said one Wilson supporter: "You could have inferred the underlying expectations of the business community, so no one can notice how much of a change he has made in the attitude of government to business."

Another Wilson admirer adds that the government's gradualist approach has created problems for Wilson because, although unemployment and interest rates have declined since the Tories took office, "sometimes you are there." Wilson's supporters still say that he will eventually get credit for an upturn in the economy and for his pro-business attitude. "He can't write him off too soon," said one. "The tide will turn the way he was the tide."



Minister disappointed

—MARK SAWYER in Ottawa with ANN WALMIRE in Toronto



Mutual funds are hot this year

...and shoo-in for the Best Issue. The Financial Post offers a FREE guide to mutual fund investing.

Almost 800,000 Canadians invest in mutual funds. With more than 275 funds covering every type of investment, The Financial Post guide to mutual funds will enlighten you as to the options available.

Researched in a booklet form our recent special report on mutual funds, this 16-page guide contains helpful hints and tips from the experts at The Financial Post. Available on July 27 issues. We've included our ranking of the top funds, as well as The Post's exclusive quarterly survey showing the performance of all funds.

Send for your FREE copy by completing the coupon below and mailing to:

Mutual Funds
The Financial Post, Macmillan House Building
121 Bay Street, Toronto, Canada M5W 1A7
Or call toll-free: 1-800-387-0384

YES, please send me my FREE copy of The Financial Post's latest analysis of its special report on Mutual Funds.

Name _____
Address _____
City _____
Prov. _____
Postal Code _____
 Please check if you subscribe to The Financial Post.

MAIL TO: The Financial Post, P.O. Box 5000, Toronto, Ontario M5W 1A7

© 1986 The Financial Post Inc. All rights reserved.

Free trade: the first step

A hour and a half before he announced that his government was seeking a new trade accord with the United States, Prime Minister Brian Mulroney picked up the telephone in the study of 28 Sussex Drive and placed a hushed call to President Ronald Reagan. His message was one that the U.S. leaders had been waiting for after studying the issue for almost a year: Ottawa was ready to negotiate a more liberal trading agreement with its giant neighbour. Then, Reagan readily agreed to seek congressional approval for the talks. Only then did Mulroney go to the Commons, where he later delivered a

closed New Democratic Party Leader Ed Broadbent: "What we have here is a premature and probably historical significance." Both men called for a full-scale national debate before any negotiations with the United States began.

The Tories, however, took several steps to allow public comment. Background documents tabled in Parliament along with Mulroney's statement emphasized that although Canada was eager to begin bilateral trade talks with the Reagan administration, "it is not committed to concluding a trade agreement." The documents added that any



Persson (left), Kasteler: a formal request for talks on removal of trade barriers

remarkably low-key speech. Reasoning that at the historic nature of the occasion, Mulroney vowed to seek "the broadest possible package of mutually beneficial reductions in tariff and non-tariff barriers"—while at the same time safeguarding Canada's political, economic and cultural sovereignty.

By deliberately de-emphasizing the historical dimension of free trade with Canada's main trading partner, Mulroney was clearly attempting to avoid arousing public opposition. But the Prime Minister's statement swiftly drew fire from the Liberals and New Democrats, who denounced the plan as premature and obscure. Liberal Leader Jack Turner said that the declaration was "very thin indeed," and he added, "We have to go into these negotiations with our eyes open." De-

velopment would be satisfied only if it "serves the interest of all Canadians and stimulates growth in all regions." In addition, International Trade Minister James Kasteler said that regardless of the outcome of Canada-U.S. negotiations the cornerstone of Canadian trade policy would continue to be Ottawa's commitment to the multilateral system established by the General Agreement on Tariffs and Trade. That 89 nation body was set up in 1948 to encourage a broad liberalization of world trade.

The Tories had also planned to issue a strong statement on Canadian cultural sovereignty to coincide with last week's trade announcement. But that initiative had to be set aside after the sudden resignation of Communications Minister Marcel Masse. A proponent of international cultural policies, Masse is be-

ing investigated for irregularities in election campaign spending.

Mulroney now has to try selling the trade proposal to the parliamentary opposition, to interest groups whose members say they fear for the future of weak industries and to Ontario Premier David Peterson. Peterson is alone among the provincial leaders in publicly expressing serious reservations about the free trade initiative. To allay his concern, Mulroney sent Kasteler to brief Peterson privately on the government's position a week before making his public announcement. Following the meeting the premier appeared to take a more conciliatory position. The need to offset protectionist pressures in the United States, he said, was "a compelling argument for at least starting to talk." In Washington the response to Mulroney's position was generally favorable. Only a day earlier a group of senior legislators in the House of Representatives had issued a proposal calling for the establishment of a Canada-U.S. free trade zone "as soon as practicable." And some conservative representatives—the former proponents of measures to shield U.S. industry—there was an immediate sign of support for continuing trade negotiations. Declared U.S. Trade Representative Clarence Lester, whose staff contained key members of congressional trade committees after Mulroney's speech: "We certainly are no indications of opposition. In fact, most people greeted it with enthusiasm. I don't know why Canadians are so sceptical about this."

Yester added that Canada, not the United States, would probably be the major beneficiary of a two-way trade agreement. He added: "There's a much greater potential for export growth in Canada. It's an enormous opportunity for Canadian exporters to gain access to U.S. markets."

Still, it is far from certain whether an agreement will ever be reached. For one thing, Congress has 60 days to reject Reagan's proposal for trade talks, and observers say that both the Senate and the House will hold hearings on the issue because of the number of congressmen who want to air grievances on trade matters. If that hurdle is cleared, Mulroney himself has estimated that it could take two years of negotiating just to reach a draft agreement. At that point Canadians will have to decide for themselves whether they share the vision of the future that Reagan expressed last week in his Washington speech.

"We seek," the President said, "to include everyone in the success of the American dream."

THE SPIRIT
OF THE WHITE REINDEER.
ON ICE.



—MICHAEL ROSE is a reporter with MARCI MC DONALD and WILLIAM LOWTHORPE in Washington.

The World's New Accord



It's a product of Honda ingenuity
and the pursuit of engineering
absolutes.

That plus the spark which
results when you rub them
together.

Although the engine is larger,
the hoodline angle is lower for
greater visibility and reduced wind
resistance.

It's lower to the ground. Yet
there's more headroom.

It is the first ever front-wheel
drive car with 4-wheel double
wishesbone suspension.

The ride is comfortable.
The handling responsive to your
every whim. The response is
enhanced even more by pro-
grammed fuel injection on the
EXi sedan.

Inside it's remarkably quiet,
remarkably spacious. Space you
can fill with sound from the
AM/FM cassette stereo.

It has the luxury of a Euro-
pean touring sedan. But the price
is much closer to home.

It comes in 4-door sedan and
3-door hatchback.

It began by erasing all pre-
conceptions about what is, then
travelled the more exhilarating
path of what could be.

The world's new Honda
Accord.

Everything about it is news.

HONDA

today's answer

Remember your auto habits. It's a simple
part of life.

Mexico measures its loss

Day and night they worked—80,000 Mexican volunteers and teams of firemen, doctors, nurses and engineers from a dozen countries. Carefully removing slabs of fallen concrete, they passed through the ruins of the worst natural disaster in Mexican history—two massive earthquakes, 36 hours apart, that devastated the central core of the world's largest city. Yet as the days passed, hopes for finding survivors in the rubble faded rapidly. Then, against the odds, rescue teams—and millions of Mexicans—were encouraged by the apparently miraculous week-old babies, young men and old women pulled alive from the wreckage. "For weeks, I drank my tears," said Maria Concepcion Carmen Salinas, recalling how she survived the ordeal. "Suddenly, I saw a light. It was the Virgin Mary. I asked her if I would live to see my daughter again. And she said."

The counts of four infants last week were particularly heartening. "Ninety-per-cent notable," said one Mexican said, explaining how the babies had lived seven days without nourishment. But the city was tormented by the gloom of many of the dead. Some 12 and 30 (A) were buried in the so-called mangled paper but little damage. Last week, an emergency aid panel in more than 100 nations officials said 3,000 people had been confirmed dead. El Universal in Mexico City said the final figure would probably be twice as high. Another 100,000 Mexicans were homeless, about 25,000 were injured, and 10,000 were still missing. Grid-streets relatives wandered through the city's main baseball stadium, trying to identify deceased parents, children and friends from the blighted remains of corpses. Others waited in vain for another miracle. "I have been here since it happened, but there is nothing," said Lillian Busto, 20, as relief workers dug through the rubble of a hospital where her 21-year-old brother, a medical resident, had been buried.

The statistics on property damage were even more staggering. An estimated 350 buildings were either totally destroyed or on the verge of collapse. Another 700 sustained severe structural damage and will be demolished. The scale of the disaster, and one U.S. official, "probably transmutes the Rubiconian furnace." Billions of dollars will be needed to rebuild. Still, as one Mexican banker noted last week, the earthquake



Rescue workers sifting the debris of the killer quake: less of collaboration

"had to be a blessing in disguise." At a stroke, they have provided Mexico President Miguel de la Madrid with an opportunity for major economic reform.

But most experts say that Mexico, burdened by a \$95-billion (U.S.) foreign debt, is unlikely to qualify for the new commercial bank loans needed to pay for redevelopment. And the government's past economic performance has not been encouraging. Under de la Ma-

rra, a young mother of three living on the half-deserted slums of El Tejito. "Nobody helped us. We helped ourselves." Some Mexicans said the city authorities were slow at the spontaneous display of the population's own energies. With Miguel Angel Granados Chapa, a leading political economist, "People get angry and speaking for themselves, finding if only momentarily, that they were capable of making demands—these are

receiving permission to travel. "When we arrived it was already too late," said Gilbert Catibat, a French freighter. "Had we arrived sooner, 200 or 300 more might have been saved."

As well, there was controversy about whether local government officials had violated strict building codes by permitting inferior construction. Just down the block from new structures completely destroyed by the quakes, older buildings were unscathed. At the former Iter-



Search dogs with their handlers identifying bodies in the rubble



4rd, similar financial editor Alejandro Ramon said, "Things have simply gone from bad to worse."

Last month's nation, which officially registered \$1 and \$1.3 respectively on the open-ended Richter scale, seemed to bring out both the best and the worst features of Mexican society. While thousands dedicated days of hard labor in solidarity with victims, some merchants in hard-hit zones of the capital were profiting from illegal price increases for basic foodstuffs.

The eagerness of ordinary Mexicans to help each other contrasted sharply with the government's apparent inability to deal with the crisis. The police didn't help it," complained Celia Mar-

not the sort of people ideal by investors, who prefer a population to stay quiet and obey."

An efforts to find trapped victims began to wind down—even under ideal conditions the human body is unlikely to survive more than 12 days without water—despair was strained by alternating scenes between exhausted Mexican soldiers and technical crews from abroad. Spokesmen for several foreign救援 teams, including Canadian 16-member contingent, complained that Mexican authorities had seen them to notice when their efforts were wanted. And the government's initial reluctance to accept foreign aid probably cost lives. One French team waited three days before

late Friday, over the residence of a 19th-century dentist and now a bank, a watchtower remained. "Here, not even a pen rolled off the desk."

Meanwhile, international lending agencies will meet this week in Spain to discuss emergency aid for Mexico. The test for de la Madrid will be whether he uses new credits to make changes or simply to patch up the cracks in Mexican society. The earthquakes offer an instructive lesson. The capital was full of buildings papered over after previous earth tremors. Most are now in ruins.

—MICHAEL POSEY with ROD KLO BUDHAR and ERIC HABERSTROM in Mexico City

UNIVERSAL
PICTURES
Proudly presents

DECEMBER 13th

Steven Spielberg presents
a Richard Benjamin Film

MONEY PIT
a restoration comedy

starring
Tom Hanks, Shelley Long,
Alexander Godunov,
Maureen Stapleton
EXECUTIVE PRODUCERS
Steven Spielberg, David Giler

DECEMBER 20th

AN EXTRAORDINARY
LOVE STORY

A Sidney Pollack Film

**OUT of
AFRICA**
starring

ROBERT REDFORD
and MERYL STREEP

JANUARY

A King's Road Production

**The BEST
of TIMES**

starring

Robin Williams, Kurt Russell,
Holly Hunter

FEBRUARY

The BATES MOTEL is back
in business

PSYCHO III

starring

Anthony Perkins,
Diane Saward, Kit Fehley
Production Design
Director, Art Direction, Colors

'Room for agreement'

After attending last week's United Nations opening, British Foreign Secretary Sir Geoffrey Howe flew to Ottawa for a brief official visit. There, he granted MacLean's correspondent Hilary MacLean an exclusive interview. Some excerpts:

MacLean's: The arms control talks in Geneva appear to be in僵持. Wherever has been made?

Howe: The talk in Geneva will receive an additional response when President Reagan meets Mr. Gorbachev in Geneva later this autumn. We want them to lead to specific agreements—effective reductions in the level of arms. The President's meeting with Mr. Gorbachev can play its most important part if it gives a clear indication of where the talks are, most fruitfully, to go. One can't expect the meeting to arrive at considered, precise agreement, but one can hope that they will identify the areas on which negotiations can seek progress.

MacLean's: What are you looking for in terms of concessions on verification and the U.S.-U.S.-Strategic Defense Initiative? *U.S. News*?

Howe: In any meaningful, effective arms control agreement, there have to be verifiable arrangements for verification. Star Wars is a form of shorthand that confuses people rather than clarifies. The important thing to understand is that both sides have been engaged in research in this area in the field. We take the view that American research is a prudent and necessary response to what the Soviet Union has been doing for many years.

MacLean's: Britain has recruited a group of *Polishologists* in London. Is this for purposes of pressuring the government to make a similar move?

Howe: Not only is there room for agreement, but we think it's most important. We research to be convinced for effective agreements—not simply confined to strategic weapons or nuclear weapons—but also on chemical weapons.

MacLean's: Has the recent defection of men to the Eastern Bloc eroded the mutual trust of Western intelligence agencies?

Howe: I have no reason to think that we have had a major defection from the intelligence services in recent weeks, and that has enabled us to improve our security by expelling a number of Soviet agents.

MacLean's: Moscow matched your ambassador for me. What did that tell you about Mr. Gorbachev?

Howe: I am not going to speculate on that, save to say that the action we took was wholly justified in the interests of national security and that the responsive action by the Soviet Union could not be justified in the same way.

MacLean's: What effect have the Soviet withdrawals had on the U.S.-U.S.-S.R. relations?

Howe: It's bound to interrupt the search for the improvement of relations. But it was made clear at the meeting I had with Mr. Gorbachev, the Soviet foreign minister, on Monday that both sides now wish to draw a line under that set of exchanges.

MacLean's: Can the American administration afford the political damage caused by the recent withdrawal?

Howe: It's most important that we all reduce the risk of rising protectionism. I have no doubt that the U.S. administration will do its best to do everything it can to achieve that. It's not only any government in the world that faces pretty strong pressure from its legislature for action of a protective kind.

MacLean's: Britain has recruited a group of *Palestinians* in London. Is this for purposes of pressuring the government to make a similar move?

Howe: Our decision is designed to encourage the group of people in the PLO that has implemented violence and terrorism. If by doing that we can encourage others to take similar steps we shall be very pleased.



Hilary MacLean

in the U.S. Congress

Howe: It's most important that we all reduce the risk of rising protectionism. I have no doubt that the U.S. administration will do its best to do everything it can to achieve that. It's not only any government in the world that faces pretty strong pressure from its legislature for action of a protective kind.

MacLean's: Britain has recruited a group of *Palestinians* in London. Is this for purposes of pressuring the government to make a similar move?

Howe: Our decision is designed to encourage the group of people in the PLO that has implemented violence and terrorism. If by doing that we can encourage others to take similar steps we shall be very pleased.



A sailboat is rocked in Massachusetts while a car is stalled by high waters in Maryland; a blizzard spirals



THE UNITED STATES

Hurricane Gloria's mighty blow

As the storm first began to rise off the coast of South Carolina, the U.S. National Weather Service dispatched reconnaissance aircraft to examine the surging interior. At the same time, experts pore over satellite photographs and radar data to measure the gathering hurricane's size. Then, they swiftly labelled it a Category 4 hurricane—the worst to roll in from the Atlantic since 1968—and warned of approaching winds of 130 to 150 mph and storm surges of more than 12 feet in coastal areas. Frantically, authorities posted hurricane warnings along the coast from South Carolina to Massachusetts, a distance of 1,500 km. And residents bundled up homes and businesses and sought refuge.

Hurricane Gloria battered and bowed coastal communities from Atlantic City to New York City before disappearing in New England and the Maritimes. The sweep left at least seven people dead and millions of dollars' worth of damage in its wake.

Gloria was born on Sept. 15 in the Atlantic Ocean, off the coast of West Africa. As it moved into the warm, moist waters that evaporate into the cold upper atmosphere over the Cape Verde Islands, there, the moisture condensed and swirled downward in a tropical spiral that spread out in paragraphs of cloud. From the tropical sea Gloria

quickly packed up energy equivalent to all the electricity generated in the United States in six months. At times, the winds gusting out of its furious centre actually reached speeds of 130 m.p.h. Hurricane experts said Gloria's force was equal to that of 1954's Hurricane Hazel, which killed 66 people in the United States and another 83 in and around Toronto. Adding to the storm terrors: problems last week were Gloria's unpredictable movements. Hurricanes, like typhoons, are notoriously erratic, changing direction unexpectedly, sometimes even doubling back on themselves.

Thankfully, by Atlantic City on a gentle and northwesterly path on Friday, Gloria snapped off part of the gemlike city's famous boardwalk and blew its high-rise hotel windows. As it approached a state of emergency, effectively shutting down the city's John F. Kennedy International Airport, one of the nation's busier, it downed Manhattan's several skyscrapers, including the twin 102-story World Trade Center towers, whose cables for days had been strained to the limit. People were concerned that elevator cables might snap in the violent low-pressure changes caused by the hurricane. Urging New Yorkers to be careful, Con Edison warned: "This isn't a television game. This isn't the dragon in a Japanese mo-

ve." Thus, as the storm's centre bypassed the metropolis, the city's cocky mayor, Ed Koch, declared, "We scared the hell out of the hurricane and it went elsewhere."

Koch was Long Island, with its concentration of bedroom and resort communities just east of the city. In 34 hours 15 m.s. of rain fell and thousands of trees were uprooted by fierce winds. Tumbling power lines left 600,000 houses in the region without electricity in the week after, and residents of Long Island were forced to make do with candles and generators, far away from their billion-dollar mansions.

By late Friday, Gloria began losing strength as it passed through New England. Cut off from its supply of warm ocean water, its winds began to subside dramatically, and the last of the heavy rains fell on Massachusetts, New Hampshire and the Maritimes. By Saturday morning, Gloria was downgraded first to a tropical storm and then to a low-pressure system. But there was also a marked increase in births along the hurricane's route—a phenomenon attributed to deliveries being induced by low barometric pressures. And Gloria seemed destined to become a compass name among the infants in the region.

—JAMES MITCHELL with correspondents



Sikh candidate in the Punjab going to the polls: strengthening the resistance

INDIA

A vote against violence

More than 125,000 paramilitary troops stood on full alert. The Indian prime minister, Rajiv Gandhi, wore a bulletproof vest and addressed crowds from inside a seven-foot-high cage of protective glass. Candidates campaigned with a phalanx of armed guards. And the otherwise winsome savior seemed ear-bombed during the month-long campaign and sporadic polling-day violence. last week's election in the Punjab—for 125 seats in the state legislature and another 18 in the national parliament—was a resounding victory. Defying warnings by Sikh terrorists to boycott the vote, some 60 per cent of the Punjab's 11 million eligible voters cast ballots in the end, the nation's deputy elections commissioner called it the most peaceful election ever held in India.

The results of the vote, the first in the Punjab since 1980, were equally conforming to fears of Sikh radicalism. For the first time, the moderate Sikh political faction Akali Dal won an outright majority, capturing a record 72 seats in the state legislature. The main loser was Gandhi's own Congress (I) Party, which dropped 11 seats. But despite his party's setback, political observers and Gandhi was not disappointed; the verdict will allow Sikhs to govern their own affairs. Indeed, the prime minister's low-key campaign—and his slate of moderate candidates—seemed designed to impress the Akali Dal's clergymen.

Led by 59-year-old lawyer Brijendra Singh Bassi, the Akali Dal is pledged to preserve the Punjab's place in the

world's largest democracy. But Gandhi's real opponents in the election—although they boycotted the actual balloting—were Sikh extremists, who have been waging a protracted struggle to secede from the Indian Federation and form an independent state, to be known as Khalistan. In 1985 the rising tide of terrorism prompted Gandhi's mother, Indira, who was then prime minister, to dissolve the Punjab legislature and impose direct rule. In 1984 she sent the Indian army into the Golden Temple at Amritsar, Sikhs' holiest shrine, to root out terrorists. Four months later Gandhi was assassinated by her own Sikh bodyguards.

On gaining office, Rajiv Gandhi cited the Punjab crisis as his top domestic priority. In fact, last week's vote was a referendum on a July 24 agreement that Gandhi had reached with Basappa's predecessor, Harshank Singh Longowal. The accord called for new elections and a gradual devolution of power from New Delhi to Chandigarh, the Punjab capital. Three weeks after the pact was signed, Sikh terrorists assassinated Longowal as he sat in prayer. Still, Gandhi insisted that the elections be held, gauging that the vote would strengthen the hand of the moderate Akali Dal, the only faction capable of dealing with Sikh terrorist grassroots support. But having won the wager, Gandhi's challenges will be to deliver on his promises of increased Punjab autonomy.

MICHAEL FOMMER with
UPI

THE SOVIET UNION

Another spy crosses over

He arrived in Rome on July 25 for a 10-day assignment. But when Vitaly Yurchenko, a high-ranking KGB official, left the home of the Soviet ambassador for a tour of Vatican monuments on Aug. 1, he did not return. Instead, U.S. officials confirmed last week, he sought asylum in the West. Yurchenko, 46, apparently supervised the KGB's U.S. operation, making him the most senior Soviet agent to defect in years. If he provides the information that the CIA expects, he will have given the West a major intelligence windfall.

Already, according to U.S. officials, Yurchenko has identified several Soviet spies employed by the CIA. Both the agency and the justice department promptly denied that report, but a congressional source said that Yurchenko had named "more than one and less than six" former CIA employees who had worked for Moscow—and recently fled the country. If true, the allegations would confirm long-standing suspicions that the agency had been penetrated by "moles"; the defectors must now establish whether Yurchenko is a legitimate defector or a double agent still working for Moscow.

In the meantime, Yurchenko has identified dozens of other Soviet agents around the world, according to U.S. sources. These revelations—and his portrait of the inner workings of Moscow's espionage apparatus—provided Western spy masters with a major morale boost, particularly because it followed the defection of KGB officer Oleg Gordievsky in London three weeks ago. Recently, seven Eastern Bloc spies in West Germany have fled to the East, including Hans-Joachim Tode, a top counterintelligence officer. In fact, Yurchenko may have preempted Tode's own flight. According to the Berlin daily *Curier der Volkskammer*, Moscow is urgently recalling agents working in the West, to avoid exposure by Yurchenko.

U.S. officials also acknowledged last week that a senior Soviet military intelligence officer, George Zaitsev, defected in Athens last May, providing details of Moscow's infiltration of the Greek government. Still, experts noted caution in assessing the latest defector, especially Yurchenko's. Said one retired CIA official: "With defectors, you never know what you appear to see. Others have told us about cases in the CIA. We have never found them."

Enter a new dimension.
BENSON & HEDGES 100's
Deluxe Ultra Lights



Discover a new dimension
of pleasure. New Hip-Top 25's.
Ultra convenient. Ultra satisfying.
And rich enough to be called *deluxe*.

*Deluxe or
Deluxe Menthol*

WARNING: Health and Welfare Canada advises that smoking is health hazard with known risks—smoking causes lung cancer.

As per cigarette: 21.7 mg. Nicotine 3.4 mg.

Hope for a divided land

The North Korean teacher stood before his 80-year-old mother for the first time in more than 30 years. "Mother," he said, "there is your son." The old woman, who has lived in South Korea since the end of the 1950-53 war, stood silently for a moment, then burst into tears. Such scenes were played out especially in both Seoul and Pyongyang last week, as families long separated by hostile governments had brief but avidly anticipated visits involving only 10% of an estimated 20 million family members separated by the 1945 sundering of the border. The exchange program is only one aspect of a recent improvement in relations between North and South. By contrast, links between politicians from both sides broke down after two days of negotiations intended to set up an inter-Korean peace conference.

In Seoul the diplomatic corps buzzed with rumors that North Korea's former foreign minister, He Dan, had paid a clandestine visit to the South Sept. 6-8. His mission: to make arrangements for a summit meeting between North Korean leader Kim Il-Sung and South Korean President Chun Doo Hwan—the first between Korean heads of state in 40 years.

A summit would improve the images of both leaders. For Kim it would be the climax to a yearlong campaign that Seoul has dubbed "softline diplomacy." It was designed to repair his regime's reputation after a 1983 bombing in Burma—widely attributed to North Korean terrorists—that killed 17 South Koreans, including senior members of Chon's cabinet. It would also enhance Pyongyang's chances of attracting foreign investment. Western analysts say that the North's centralized economy is lagging 10 years behind the leading South's. At the same time, a summit would improve Chun's chances of parlaying North Korea, as well as China and the Soviet Union, to attend Seoul's 1988 Summer Olympic Games.

Still, even during last week's joyous family reunions, each side accused the other of trying to prevent the development of better relations. The underlying tension, observers say, will ensure that the road to national reconciliation in the Korea peninsula will be long and obstacle-filled.

Fostered there was widespread speculation last week about why Paris was anxious to stop the Rainbow Warrior from landing a foible into the French nuclear testing grounds at Moruroa. And A-

Father, the dissident after threats to swap France's government

FRANCE

Mitterrand's challenge

To French President François Mitterrand, the Greenspace scandal is a nightmare without end. The focus over the sinking of the environmentalist group's flagship, Rainbow Warrior, in Auckland harbor July 10, has already forced the resignation of Mitterrand's minister of defense, Charles Hernot, and the dismissal of Adm. Pierre Lanoste, head of France's foreign intelligence service. But even these political sacrifices have failed to quell the anger over just what government official issued the order to subdue the Rainbow Warrior. Declared the left-wing daily Libération in a bumper headline: "Sell the dooms."

The belated admission of the government's responsibility last week by Mitterrand's prime minister, Laurent Fabius, failed to end the controversy. Putting the blame on Pierre Fabius offered what he called "the cruel truth" that French secret agents had been acting on orders when they poised missiles aimed at the hull of the Greenspace ship. But Fabius insisted that neither he nor the president had known of the plot in advance, a claim that some French newspapers and members of Mitterrand's own Socialist Party disputed. Said Alain Savary, a former education minister: "In a matter as serious as that, military personnel could not have acted without approval."

Indeed, there was widespread speculation last week about why Paris was anxious to stop the Rainbow Warrior from landing a foible into the French nuclear testing grounds at Moruroa. And A-

—PIETER MCGLYNN in Paris



JUST LISTEN AND YOU'LL SEE

FASCINATING • ENTERTAINING

STIMULATING • INSIGHTFUL

PROMOTIONAL • INFORMATIVE

FRESH & FUN

cko
RADIO

96.1 FM VANCOUVER 103.1 FM CALGARY 104.9 FM EDMONTON 97.5 FM LONDON
99.1 FM TORONTO 106.9 FM OTTAWA 107.5 FM HALIFAX 101.0 AM MONTREAL



Chicago Mercantile Exchange: Hitting the nerves of the world's currency traders and powerful central bankers

BUSINESS/ECONOMY

Planning the dollar's fall

For more than three months the plan was formulated in the street meetings, and when it was revealed the surprise was almost total. On Sunday, Sept. 25, top central bank and economic officials from the Group of Five—the United States, Japan, Germany, France and Great Britain—held a press conference in New York City's Plaza Hotel. There they announced that it is order to avoid an international trade war they intended to set in concert to drive down the value of the U.S. dollar. The Group of Five's action, which was engineered by the U.S. treasury department, reversed President Ronald Reagan's long-standing policy of avoiding intervention in the currency markets, and the impact was immediate. Then, a wave of panic selling by currency leaders who feared being stranded with large holdings of dollars caused the greenback down by five per cent against major foreign currencies at the bustling Chicago Mercantile Exchange and other currency centers. It was the biggest one-day drop in the threemonth history of trading exchange rates. That helped the Canadian dollar to rise two-thirds of a cent to close at 1345 (U.S.) and Peter Rogers, chief dealer in New York for the Swiss di-

Stoller: "When the markets opened, there was only one thing to do: sell dollars." The timing of the Group of Five's announcement was clearly politically oriented. On the following day—Monday, Sept. 26—Reagan delivered a major speech on trade policy that, coupled with the action to drive down the dollar, would make American products more competitive abroad and that was widely interpreted as an effort to slow the mounting protectionist drive in Congress. Reaffirming his commitment to free trade and to lowering the U.S. federal deficit, Reagan urged other countries to end unfair trade practices such as product dumping, legal subsidies and sanitary barriers against U.S. goods. He also pledged a \$200-million fund to help U.S. exporters compete against subsidized foreign goods in overseas abroad.

The currency announcement also took place on the eve of the opening of the 49th session of the United Nations General Assembly in New York. At that meeting leaders of struggling Latin American debtor nations called for new ways to handle the international debt crisis. Because those nations rely heavily on export earnings—particularly to the United States—to pay their debts, rising protectionist barriers would seriously harm their ability to pay their loans. Said Lloyd Adaskin, chief economist for the Bank of Montreal: "With this decision, the global debt crisis is being moved to the centre of the stage."

In Ottawa opposition parties criticized the fact that Canada had not been invited to the Group of Five meeting. NFB spokesman charged that Prime Minister Brian Mulroney's so-called "special relationship" with Reagan had little value when important nations such as the U.S. dollar or world trading relationships were concerned. Asked for comment on the currency crisis, Nelson Hiltz, "Who was representing

Reagan at the UN



Canada's interest? Which of the Big Five?" For their part, the Liberals urged Mulroney to postpone free trade negotiations with the United States unless the full implications of the action to drive down the dollar became clear, but the Prime Minister announced last Thursday that he had telephoned Reagan to request a status to the talks.

The fall of the greenback provides both advantages and disadvantages for Canada. A weaker American dollar makes the Canadian currency easier to export at depressed levels without keeping interest rates high in order to attract investors. Indeed, last week the Bank of Canada dropped its three-set

dian dollar had declined against the greenback, it rose against most European currencies, making Canadian goods more expensive overseas. Between the early 1980s and 1983 Canadian sales to Europe as a percentage of total exports fell to eight per cent from 25 per cent. But last week, as the Canadian dollar rose against the U.S. currency, it declined relative to European funds. Said Patricia Mohr, senior economist with the Bank of Nova Scotia: "A slide in the U.S. dollar will help our exports to Europe, particularly to Scotland."

In the financial sectors many political analysts said that the decision to devalue the dollar, used to Reagan's trade speed,

Senate leader Robert Dole: "The President's speech should help cool the protectionist fires on Capitol Hill."

Still, economists say that the U.S. dollar would have to fall by at least 25 per cent to have a major impact on the trade deficit. The dollar has dropped 15 per cent since March against an average of 30 other major currencies but it is still 10 per cent higher than when it was at its 1980 low point. And because producers in the United States enjoy healthy margins, they can absorb a small fall in the dollar's value.

The U.S. trade imbalance is not expected to improve unless the federal deficit is reduced. And some experts say that account rates have remained high in order to attract enough money to finance the debt, which is expected to top \$200 billion for the fiscal year that ended Oct. 1. In turn, the influx of foreign money into dollar investments has helped push up the greenback's value.

The five central banks have intervened collectively by using U.S. dollars to buy other currencies in order to make the new strategy work. Indeed, an attempt by European central banks last Feb. 27, when they sold an estimated \$2 billion (U.S.) failed to halt the unrelenting rise for more than a few days. Said David Martin, a currency trader and vice-president with New York-based Merrill Lynch: "Unilateral intervention never works. Chattered, unified intervention always works."

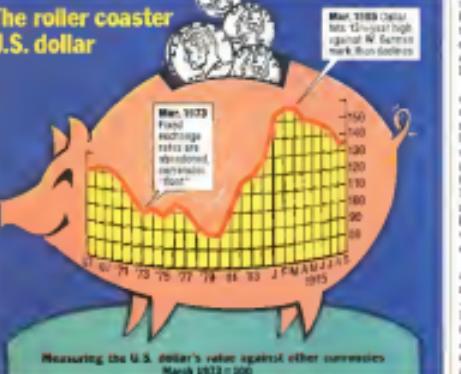
Last week the Group of Five appeared to be working. Traders estimated that the various central banks—including the U.S. Federal Reserve Bank, the Bank of France, the West German Bundesbank and the Bank of Japan—released as much as \$4 billion onto the markets. About half that was apportioned by the Bank of Japan. The reason the Japanese, who engaged a \$20-billion trade surplus with the United States last year, are anxious to defuse the protectionist legislation, much of which is aimed at them. Said Cynthia Lello, senior financial analyst with Massachusetts-based Data Resources, Inc.: "They have to appear to be doing something."

Last week the United States four allies also pledged that to help bring the five currencies closer together they would improve their own growth and investment conditions through tax cuts and financial reforms. That set the stage for currency traders to engage in a war of words—and money—with the central bankers. Said Merrill Lynch's Martin: "At some point, we are going to test the central banks' resolve to run the dollar back up. If they are not equal to the challenge, the dollar will skyrocket."

Right: Convinced Congress to delay passing protectionist legislation. The high price of the U.S. dollar, according to Commerce Secretary Malcolm Baldrige, is responsible for at least half the U.S. trade deficit, which is expected to reach \$150 billion this year. To reverse that imbalance congressional bills have drawn up more than 300 protectionist bills designed to protect jobs.

Reagan says he will veto protectionist legislation passed by Congress. But a two-thirds vote in the House of Representatives and the Senate can override him. And experts say that a two-thirds vote in the Democrat-controlled House is almost guaranteed. Then in the Republican Senate, Reagan needs only to persuade 34 of the 38 Republican senators to support him in order to sustain his veto. And last week's action may have reinforced borderline suggestions that the President is seriously concerned about the trade deficit. Said Repre-

The roller coaster U.S. dollar



Measuring the U.S. dollar's value against other currencies
March 1973-1983

—MICHAEL SALTER with MICHAEL BISHOP in CHICAGO DAVID LINDSTROM in New York
WILSON LINTHICUM in Washington and
DAVID MORSE in London

The Northland Bank's final battle

After a summer of poor business, Calaway Park, a small amusement centre located nine kilometres west of Calgary along the Trans-Canada Highway, was shut down for the winter and demolished last week. Three years ago the park was sold by receiver Stephen Neagle, one of its lenders, the Royal Bank of Canada and Bank of America Canada, declared than cost overruns were too high and the prospects for a profitable operation too unlikely. The bank called for repayment of these loans of \$6 million each. But the Northland Bank of Calgary, which had also loaned \$6 million, chose to arrange a refinancing program to complete the project. To that end, it took over the larger bank's loans at 35 cents on the dollar, leaving it with a total loss of \$19 million. It was a classic case of refinancing a non-performing loan to make it perform—in banking parlance, it was a "work out." But the arrangement had some unusual aspects. At least one of the owners of the amusement park enjoyed close links with the bank's board of directors. And although the park for the first time made a small profit during 1985, market projections have turned out to be faulty, and its prospects remain uncertain. Said one of Calaway's directors: "This park really belongs in a small city; it's not right for Calgary."

The refinancing of the Calaway amusement park reflects the operating style that has brought the now 10-year-old Northland to the brink of liquidation. That method of operation—brash, aggressive, ready to take risks and battle the giant Eastern Canadian banks for bottom-line—was a reflection of the Alberta marketplace. The institution's spectacular growth—from \$28 million in assets in 1981 to \$1.2 billion in mid-1986—was a result of the oil boom of the late 1970s. Its business practices were adopted not from banking circles but from the fast-moving deal-making of the West's real estate entrepreneurs. And the bank's recent financial problems—which led the federal government to close its doors as Sept. 1 and appoint a temporary overseer—were part of a larger web of business failures in the wake of the recession that washed over the West in 1982.

Last week public attention focused on whether the bank would be shut down permanently by Minister of State for Finance Barbara McDougall. She is under pressure from members of the Conservative party's western caucus to save the institution. At the same time, in a fee-kidney debate in Parliament,

opposition parties contrasted its socialist tilt of government of amending the Northland's chance of survival by amending the legislation at the Canadian Commercial Bank of Edmonton and the appointment of a supervisor for the Northland at the same time during the Labor Day weekend. And in the

meantime, the government announced that the bank would find a buyer, and in Ottawa a proposal circulated about an impending one. Instead, according to a finance department source, with a long-shot proposal "now on the table for consideration by McDougall." The minister was unnamed in the leak by her adviser on the Northland, Robert Bellamy, corporate finance specialist from Bay Street brokerage house Bentall Fry Ltd. and a former chairman of Toronto investment firm A.R. Angus & Co. Ltd., where McDougall was a vice-president in 1982. Bellamy analysis on Bay Street said that the bank has no future. Declared one banking analyst: "It's a goner."

Indeed, government-appointed supervisor, or "receiver," James Morrison, president of Toronto-based Touche Ross Ltd., spent the week in Calgary shuttling between meetings at the Northland's headquarters on 5th Avenue and his hotel room a few blocks away. Within the bank, tension rose and morale dropped as employees observed Morrison's team of about 90 accountants, clerks and secretaries and 20 bankers on leave from the Royal Bank working through the Northland's books.

As a result of Morrison's investigations, Neagle and other Northland executives were hearing themselves for large write-downs on a number of refinanced or non-performing loans. Many had been made during the optimistic years of Alberta's boom. Others were issued later in a desperate attempt to "increase business at any price," recalled one banker. Indeed, one potential problem asset was the loan to Calaway Park. Morrison's team indicated the property was overstated and the loan not fully recoverable, even though Touche Ross' Calgary office had acted as auditors for the park and had certified its value at the time of the refinancing.

For the 45-year-old Neagle, what was at stake was his reputation as a banker. Under scrutiny by Morrison were attempts by Neagle to "work out" huge losses. In one case, the Northland extended more than \$4 million in refinancing to Howard Eaton in September 1983, in order to keep alive an original loan of \$3 million made at least two years before. Eaton in 1983 Eaton had been forced to resign from the presidency of the CCB after his extensive business dealings with controversial Gregor MacLean. Later, Leonard Basenleghe was revealed. The Northland loans to Eaton, business partner Robert Bagley and a property company which they operated in California, were made after



McDougall considering proposals

week-long Commons banking committee hearings, there were many revelations of problems encountered during the interminable March 24 review and subsequent Sept. 1 closure of the CCB. During the hearings, the country's major chartered banks took the unusual step of threatening to sue the government to recover the \$80 million they had advanced in their parts of the abortive rescue.

Meanwhile, Northland president William Neagle, his board of directors and other associates continued their efforts to work out a restructuring of the institu-



"THE IBM PROPRINTER SUPPORTS MOST POPULAR COMPUTERS."

Built to take it. Priced to take it with you. The new Proprinter from IBM.

There's just one thing that's as remarkable as the rugged reliability of our newest personal printer—and that's its price of \$899*.

The new Proprinter is built by IBM to last. And simplicity of design is what makes it so reliable.

Yet the IBM Proprinter is a full-featured machine. It has three printing speeds to give you everything from fast first drafts to sharp, near-letter-quality correspondence.

It takes preprinted computer paper for long jobs and—without removing the paper—will easily print on sheets of stationery or an envelope, thanks to a handy slot in front.

With its all-point-addressable graphics and its comprehensive character set, the IBM Proprinter supports most popular software.

The new Proprinter attaches to every type of IBM PC and to many other personal computers.

And it's just part of our growing family of personal printers.

All are designed to serve a single purpose: To give everything you do the finishing touch.

For the IBM Product Centre or the IBM Authorized Dealer nearest you—or for free literature—call IBM Canada Ltd. toll-free 1-800-382-6600.

IBM

IBM Personal Printers...The Finishing Touch

*Price does not include paper, cable and shipping. IBM Product Centres
Fax may vary at some IBM Authorized Dealer outlets.

IBM is a registered trademark of International Business Machines Corporation.
IBM Canada Ltd. is a division of IBM Corp., a trademark of IBM Corp.

the Toronto Dominion Bank had called an \$11-million loan. Bates needed the money to fulfil his plan to parlay a savings and loan company in California and pay off majority shareholders—the pension funds of Canadian National Railway Co. and Air Canada—who wanted out of their investment in Neapole's empire.

Beyond the suspect loans, there were questions about the management style of Neapole and his executives. During the month before the government stepped into the beleaguered Northland's affairs, Neapole, the bank's chairman Robert Wilson and executive vice-

to-the-senior post of general manager of the Royal Bank of Canada. In Calgary Neapole, widely described as mercurial and fluctuating, enjoyed the success that accompanied the oil and property boom. In one year alone, he had, his Royal Bank branch loans \$1 billion—an amount equivalent to the entire assets of the Northland in 1984. Recall that the Royal's hot-track boys?

To Neapole, the presidency of the Northland offered both a way out of a mainstream banking career that went sour with the onset of the recession and a chance at the large salary, benefits



Maurice Neapole (right): 16-hour days, arduous meetings and a bitter fight over the worth of the bank.

president Martin Fortier such revered new company cars—Jaguar sedans—as a reward for their hard work at attempting to turn the bank around. Said Neapole, who like nearly everyone Habs "It is stupid in hindsight, but I did not expect to be exploring it."

And last month, in a California courtroom, a jury awarded a former client of Neapole's, Calgary property trader Ellyeha Scherberg, \$18.5 million in a suit for breach of oral contract. The suit concerned a verbal commitment by Neapole in 1981 to provide \$50 million in funding—well above his authorized lending limit—for a Los Angeles property deal of Scherberg's. During the trial Neapole denied ever making the written promise to lend, but other testimony disputed that. At the time of the trial, Neapole was a vice-president and general manager of the Royal Bank's main branch in housing Calgary and a rising star. The job was the culmination of two decades with the Royal at posts in Texas, Montreal and Hong Kong, following the path of his father, who had risen

and prestige offered by the smaller institution. When he joined the Northland in May 1983, his mandate was to turn around the struggling bank, with \$80 million, or 18 per cent, of its loans already in trouble.

Indeed, Neapole's defenders say that most of the bank's current difficulties had already arisen before he took over. Many of the problem loans in Northland's portfolio were made under the stewardship of previous chief executives. Except for the chairman, who has stayed with the bank from its beginning and has acted as president in two occasions, there has been a almost constant turnover of top executives. Two presidents left after short terms, and since Neapole's arrival all but three bank officers from the previous regime have left.

But by last March, Neapole appeared to be making progress. The percentage of problem loans had fallen, the bank continued to report a profit, and it had erased its debt to the major chartered banks. As well, the amount of deposits from small retail customers increased

of Nova Scotia. Northland was not technically insolvent; CBB was. But banks go bust because of a lack of confidence."

Over the course of the summer, as depositors left the Northland "in wholesale globs," according to one Northland insider, the bank's senior management continued to work on a variety of arrangements to find new capital and jettison nonperforming assets. As late as last July, Inspector General of Banks William Kenett told MacEachern, "It is our view that Northland is not likely to become a problem for the Canada Deposit Insurance Corp."

Two weeks ago Neapole told a news conference that other banks, regulators and politicians were responsible for Northland's problems. But last week he had sharply modified his position. "It's easy to point a finger at the guy on the spot, whether it is Bill Neapole or Bill Kenett," he told MacEachern. "But there really is no villain."

—PATRICK SHOT in Calgary



Slimmer...Milder.
Avanti and Avanti Light
King Size and 100's.



Avanti'

By duMAURIER

WARNING: Health and Welfare Canada advises that danger to health increases with amount smoked—avoid smoking. Avanti King Size: 0.9 mg tar, 1.1 mg nicotine, 100 mm: 14 mg tar, 1.2 mg nicotine. Avanti Light King Size: 0.8 mg tar, 0.8 mg nicotine, 100 mm: 9 mg tar, 0.9 mg nicotine.

The fears of a mining magnate

By Peter C. Newman

One reason the Mulroney government is having such a tough time reviving Canadian business is that most of its policies are aimed at the wrong target. The major barrier preventing a recovery is not the inefficiency of Canadian technology, restricted trade opportunities or militant union demands in the primary resources sector—which will drain the rest of the economy—the main stumbling block has been the relatively high level of the Canadian dollar against the currency of nearly every country except the United States.

"The problem is our cost base, which has soared over the past five years, solely as the result of currency values," I was told by Noranda chairman Alf Pown, whose company has been especially hard hit. "The result is that North Americans are now the world's marginal suppliers of primary resource products." Pown was delighted by last week's tentative lift in the U.S. dollar but he cautions that it will have to drop a full 20 per cent—and the Canadian dollar along with it—before raw material exports can broadly benefit.

Our slide as traditional sources of wealth has been reflected in Noranda's earnings, which have shown a loss four years in a row. During 1984 the company recorded a deficit of \$4 million as sales of more than \$3 billion. Although Pown's enterprise is 88.8 per cent Canadian-owned, his various subsidiaries and associated companies do business in at least two dozen countries.

Between 1980 and 1985, while the Canadian dollar may have declined in value by 17 per cent against the U.S. currency and 10 per cent against the Japanese yen, it has jumped by an incredible 27% per cent against Chile's peso and by at least 100 per cent against the South African rand—the currencies of countries competing with Canada for raw material sales. In the same half-decade the Canadian dollar, dragged along by the swelling U.S. dollar, also rises by 50 per cent against sterling, 30 per cent over the deutsche mark and nearly 90 per cent over the Swiss franc. "When that is coupled with the fact that virtually all our important competitors have had major devaluations against European currencies, the impact has been lethal," Pown complains.

One example that provides help to explain why our forest products industry is in trouble. Since 1980 the Canadian

dollar has gone up by 70 per cent against the Swedish krona. But another way, had we pegged our dollar to the krona five years ago, it would now be worth 45 cents U.S. "Small wonder," says Pown, "that we can no longer compete and that the Scandinavians have not only driven us out of the European markets but are now leading export markets in California." This is no exercise in theoretical writing. Noranda owns five major Canadian forest products companies, including MacMillan Bloedel, Fraser and Northwest Mills.

"The problem is our cost base, which has soared over the past five years, solely as the result of currency values," I was told by Noranda chairman Alf Pown, whose company has been especially hard hit. "The result is that North Americans are now the world's marginal suppliers of primary resource products." Pown was delighted by last week's tentative lift in the U.S. dollar but he cautions that it will have to drop a full 20 per cent—and the Canadian dollar along with it—before raw material exports can broadly benefit.

Our slide as traditional sources of wealth has been reflected in Noranda's earnings, which have shown a loss four years in a row. During 1984 the company recorded a deficit of \$4 million as sales of more than \$3 billion. Although Pown's enterprise is 88.8 per cent Canadian-owned, his various subsidiaries and associated companies do business in at least two dozen countries.

The only bit of cheer in this gloomy forecast is that the U.S. dollar has started to decline, and presumably the Canadian dollar will follow in faithful lock-step. What Pown and an increasing number of Canadian business leaders are tentatively advancing is that we should negotiate our dollar from its American counterpart and allow our currency to float freely. The effect of devaluing the Canadian dollar would almost inevitably be to fuel inflation. According to one estimate, a five-cent drop in the Canadian dollar adds 1.5 per cent to the inflation rate.

What inflates? Pown and other chief executive officers trying to push primary resource companies back into the black is that there is nothing in Canada's economic performance that merits the remarkable rise in the value of our currency. Because most of the world views Canada as an economic satellite of the United States, we have been dragged behind the skyrocketing U.S. dollar. Even the U.S. economy has not



Pown: stamping rates of resources



ONCE AGAIN, SAAB STANDS ALONE ON THE LEADING EDGE OF TURBO TECHNOLOGY

with the New Saab 16-Valve Intercooled Turbo.



Its form is sleek and smoothly aerodynamic, turning the heads of the curious and the aficionado alike. You instantly recognize it as something very special. It is the Saab Turbo 16.

A deep frontal air dam cuts headwind resistance to a minimum, creating a road-hugging ground-effect. Sweeping body side skirts dramatically enhance high-speed stability while front and rear stabilizer bars counteract the lateral forces exerted on all four VR/Pirelli tires. It is as forgiveable in its handling characteristics as it is uncompromising in its pure power.

Saab Turbos—engineered to leave you breathless

Beneath the hood of all 1985 Saab Turbos lies a power plant that is an advanced study of why the racing fraternity has long heralded the virtues of turbocharging.

Although this turbo is like no other turbo on the road, it represents neither a quantum leap nor a reckless departure from Saab's proven turbo technology.

It's the evolutionary Saab twin overhead cam 16-valve intercooled engine with an advanced microprocessor Bosch LH fuel injection system, and Saab's exclusive Automatic Performance Control (APC).

**The only way to compare our turbos to other turbos
is in your rearview mirror.**

Given the fact that these turbos possess the power of 160 high-spun horses—about 20% more than our previous turbos—they are not the

least immune to leaving the respected competition breathing dust, and rapidly diminishing in stature in your rearview mirror.

Behind the wheel—you're way ahead in comfort and performance.

Cockpit controls and instrumentation are what you would expect from Saab. They're crisp and deal-ready to read, and easy to control. (No arcade graphics here to distract your senses and distract you from your driving.)

Rest assured that driver and passenger compartment luxury comes in full measure, whether you select a Saab Turbo 16, Turbo 16S or a Saab 900 hatchback or sedan.

The most advanced turbos on the road have arrived. Shouldn't you arrive with one yourself? See your Saab dealer and take a test drive.

SAAB

Swedish engineering. Depend on it.

The Blue Jay countdown

When the Toronto Blue Jays clinched their home stand with a 4-1 loss to the Boston Red Sox in a rain-delayed game that ended after 1:30 last Friday, they set a season record for ticket sales (\$333,200) that established them as the most successful draw in Canadian sports history. But the team and its fans focused on a different statistic: the "magic number" combination of Blue Jays wins and New York Yankee losses necessary for Toronto to clinch the American League East pennant. As the week began the number was nine. But by Saturday, when Toronto overwhelmed the Milwaukee Brewers 6-1 and the Yankees beat the Baltimore Orioles 6-5, it had plummeted to four.

There was nothing simple about the equation in between. It was a week marked by alternating elation and agony, despair and concern over a series of injuries to players whom the Jays would hate to do without. First baseman Wiffle Upshaw spent most of the week at the beach with a pulled abdominal muscle; pitcher Jimmy Key left Wednesday's game with a groin pull, and left

pitcher Ed Whisen. The magic number dropped to eight.

By Tuesday night it was six, and the talk of Toronto from factory lockrooms to barbershops to lounge bars was not whether the Jays would win the division, but when and where they would clinch it. Saturday Dennis Lang, with 11 wins and no losses in relief, beat the Red Sox 4-2. Meanwhile, the Detroit Tigers co-operated by thrashing the Yankees in New York 8-1.

Because of the arduous method of calculation, there was no movement in baseball's Dow Jones on Wednesday, when the team lost 4-2 to the Red Sox in 13 dramatic innings and the Yankees crushed the Tigers, 10-3, just after Thursday's loss. That night the Yankees and Tigers, playing in New York on the fringe of hurricane Gloria, were raised out.

When the Blue Jays flew south for six road games against the Brewers and Tigers before finishing the season against the Yankees at home this weekend, they carried a special cargo in the hold of their chartered cr-AE-722 five-car train of Ontario charagnes. "We want to clinch this thing as soon as possible," said weary third baseman Randy Miller. "We want to come back Eastern Division champions."

—ALISON GORDON in Toronto



It takes energy to produce energy.

Energy to create improved oil sands technology so Canada's vast deposits can be better utilized.

Energy to increase heavy oil production...carry out conventional oil and gas exploration...improve refinery efficiency.

At Suncor we're making major commitments in all these areas. Because we know it takes that kind of energy for Canada to achieve energy self-sufficiency.

suncor inc.
In search of the answers



STILL WASHING.



STILL DRYING.



STILL CLEANING.



STILL COOKING.



STILL LONELY.



MAYTAG
THE DEPENDABILITY PEOPLE
The Maytag Company Ltd., Mississauga, Ontario, N1W 1P6

An emotional religious division



James Carden's McGivigan separate school in Terrebonne, constitutional guarantee

The cream of Ontario's legal fraternity is in a Toronto courtroom, but what is on trial is an explosive issue: engraving religious, political and rights and education in all 10 levels of government to ensure the constitutionality of a controversial bill that would provide full public funding to Roman Catholic high schools. But learned submissions detailing the intentions of the Fathers of Confederation and the scope of the 1867 Charter of Rights and Freedoms could not eliminate one disturbing possibility: that the anti-separatists' debate over schooling might degenerate into an ugly confrontation between Catholics and Protestants.

Most of the lawyers represented 84 groups—including public school boards and teachers—which say the bill violates the Charter by extending the funding only to Catholic schools. But Ontario Attorney General Ian Scott argued that the education rights granted Ontario Catholics and Quebec Protestants in 1867 are entrenched in the Constitution and take precedence over the Charter's equality clause. Indeed, Scott told a five-member panel of Ontario Court of Appeal judges that a political compromise by the legislature of Upper and Lower Canada played a crucial role in the creation of Canada. Its intent to provide full funding for Protestant schools in Quebec and Catholic schools in Ontario. Declared Scott: "Without it, there would have been no Confederation or anything like the terms that permitted

three parties in the legislature swiftly supporting the proposal in principle. But despite that unanimity, separate-school funding has caused division in one-train community across the province. One reason is that school boards, teachers and parents alike are still trying to predict the effect of at least 10,000 Catholic students switching from public high schools in 1987, when the separate system would receive grants up to Grade 13.

As well, Frank Miller, who succeeded Davis as premier last February, and the controversy over separate-school funding has weakened Tory support during his spring's pre-election tour, contributed to the party's defeat. As a result, a minority Liberal government, which took power last June after 10 years of Tory rule, has now committed itself to fulfilling Davis's promise with passage of Bill 30—and will seek in the Appeal Court, Scott told the judges with a direct question, "What country is here for more than 200 years?"

The hearing has provided a legal forum for an issue that has exercised Ontario politicians since June, 1986. At the time, in one of the most surprising turnarounds of his 14-year administration, Conservative Premier William Davis announced that funding for Catholic schools would be extended from Grade 10 through the senior Grade 13 year. All

told thus country to survive for more than 200 years?

The hearing has provided a legal forum for an issue that has exercised Ontario politicians since June, 1986. At the time, in one of the most surprising turnarounds of his 14-year administration, Conservative Premier William Davis announced that funding for Catholic schools would be extended from Grade 10 through the senior Grade 13 year. All

that week in the Appeal Court, Scott presented the judges with a direct question:

Ashok Scott: "In Bill 30, as set forward in the Education Act, notwithstanding the provisions of the Constitution of Canada including the Canadian Charter of Rights and Freedoms, and so on, is what particular or particular and is it what percent?" For his part, Ontario Chief Justice William Howland said that the panel's sole task was to determine if the government's bill was legal—not to decide if a separate-school system was necessary.

DRAMA A contentious Bill 30 measure of 1987 support during last spring's election



Then Scott gave way to assistant deputy attorney general Dennis Wright. He argued that the proposed legislation would simply restore educational rights held by Ontario Catholics at Confederation, which politicians subsequently dismantled. Wright also said that Ontario should simply revert Quebec's current move to fund Protestant schools by treating Catholic institutions in the same way as those in the public school system. Wright further noted that after Confederation the Ontario legislature passed laws which gradually reduced the Catholic educational rights. He said that process culminated in a 1986 court ruling that denied Catholic high schools access to public funds. But in 1984 the Conservative administration of then-premier John Robarts dramatically curtailed grants to separate schools.

Now, despite the 1986 precedent, the government insists that Ontario Roman Catholics still have a right to all education money, which started in 1867. Still, John J. Lauzon will argue that the Charter requires the government, in fact other religious schools Lauzon, the son of Bea Lauzon, the late chief justice of the Supreme Court of Canada, a representative of the Canadian Jewish Congress at the hearing. Also opposing the legislation is the 30,000 member Ontario Secondary Schools Teachers Federation. The federation holds that large numbers of students switching to fully funded separate-school system will force many public school trustees to choose between unemployment and jobs in Catholic schools.

They will be joined in the courtroom by 70-year-old John J. Roblette, one of the foremost authorities on constitutional law in the country. In the Supreme Court of Canada four years ago Roblette persuasively argued that the federal government could overturn the Constitution without the consent of the provinces. Now Roblette, who is representing the Metropolitan Toronto School Board at the hearing, says the government's actions violate equality provisions in the Constitution that he helped bring home from Great Britain.

The Metro school board also contends that the government cannot provide funding to separate schools until Bill 30 becomes law. But the government has already passed an order-in-council releasing \$95 million to 36 separate school boards across Ontario. The judges are expected to fall months to a decision—and the young adults in Ontario will appeal the judgment to the Supreme Court of Canada. As a result, the strains that have accompanied an issue as old as Confederation will be present in Ontario for years to come.

—WALTER GRAY with
SHIRLEY GREENFIELD in Toronto



Ramona, Jeffrey Taiton, politics, educational issues and his right to high school

Neighbor against neighbor

The Taitons and the Côtés, two families from near Windsor. One share a common goal: raising the best possible education for their children. But because Essex County's 300,000 citizens are divided roughly between Roman Catholics and Protestants, the controversy over separate-school funding has pitted the two families on opposite sides of an issue which has caused friction across the province in the small community of Harrow, like-school supporters Jeffrey and Pamela Taiton say they fear that an expanded separate school system might abolish their local high school—a change that would eventually force their three young sons to travel 25 km by bus to another school. And only 80 km to the northwest, in Amherstburg, 18-year-old John and 14-year-old Julie Côté already spend two hours each day on school buses—even though there is a public high school within two blocks of their house. The couple, despite the 90-km round trip, Mark and Lynne Côté, as well as the parents of about 380 other students who travel long distances, want their children to attend St. Ann's, the only separate high school in the county.

Another 1,000 students from Catholic families will attend nine high schools operated by the public school system—seven of them in the surrounding area. In 1987, a bill proposing full funding for Catholic schools was introduced by the Taitons in their constituency, and the county's separate-school board commissioners were resistant in January when it was announced that an augmented influx of stu-

dents would require it to take over four public high schools. For its part, the public school board swiftly declared that transferring four schools to the separate-school system might result in "worsening disruptions and strong antagonisms where none have existed." And one of the board's planning briefs said, "the disbursement of students, staff and the redistribution of buildings and equipment approaches nightmare proportions."

As well, 1,100 public-school supporters signed a petition opposing that plan. Jeffrey Taiton, who earned his undergraduate and MEd's provincial election, attacking extended funding as an independent candidate in the riding of Essex South (he finished third, after the Liberal winner, and 151 votes behind the Tories runner-up). The 38-year-old electrician received more than 1,000 of the New Democratic candidate, and he says that demonstrated widespread support for his view.

As a result, shortly after an election that ended 23 years of Conservative rule in Ontario, the Essex County Separate School Board got its druthers. The plan is to close four public high schools. Now, it is adding full funding for Catholic schools. The Taitons and the Côtés—one that divides over education will continue to divide a county where Protestants and Catholics once lived in harmony. □

allow chloride ions to pass through. Alternatively, the channels can be given but nonfunctional. Said Michael Knoblauch, a leading CF researcher at the University of North Carolina at Chapel Hill: "We don't know yet whether CF patients have no chloride channels or whether a faulty regulatory protein is keeping them shut."

The problems affecting the pancreas are less clear. The Gordon Foundation of Toronto's Hospital for Sick Children, funded by his research on CF research and the pancreas, says that they may be the same as those which affect the lungs. Despite the uncertainty, Forsliver said that the research has finally led to a "good working hypothesis" for the basic disease, based in CF.

Meanwhile, medical teams of geneticists are taking another approach to isolating the cause of CF. They are screening the genes in blood samples from hundreds of CF patients and their families in an effort to find the gene responsible for the disease. So far, geneticists Michael Bachwald and Lap-Chun Tsui at Toronto's Hospital for Sick Children—two front-runners in the race—have probed 30 per cent of the possible genetic territory. Said Bachwald:

"Imagine the CF gene is one house in one of 22 neighborhoods. That house is emitting a signal, and our probes roam around, trying to detect it." Bachwald predicts that his group will find the right neighborhood "during the next six months to a year."

The new excitement in CF research today is due to the fact that both the geneticists and the cell biologists appear headed toward the same object. For when the gene is found it will lead to its protein product, which may well be the agent that carries out the faulty instructions in the chloride channel. The long-awaited "influtin" for CF could be a drug to correct or counteract that faulty protein.

More speculatively, scientists could use so-called gene therapy to clone thousands of healthy equivalents of the CF gene, inject them into benign viruses and spray the viruses into patients' lungs, where cells could put the new genes to work. Still, either technique could take years to develop. A carrier test and a reliable test-to-detect CF is the work that likely will be perfected first.

For his part, 10-year-old Robbie Thompson of Halifax hopes that research will produce a treatment "something like a shot you could get once a year." Robbie and his eight-year-old sister, Jane—both of whom have CF and Miss Maclean, honorary chairman of the CF fund drive, are featured on posters and TV commercials across Canada. But adults with CF tend to be pessimistic as scientists about a cure emerge in the near future. Said Karen Luckey, 27,

a Regis CF sufferer: "I wish I had been born with CF now, because they are learning so much more about the disease." For the past six years Luckey has been an oxygen cannula—first hooked up to huge tanks and then to portable liquid oxygen packs—because her lungs have been so damaged by infection. As a result, it is now treatment for lung infections, not genetic and membrane research, that holds most interest for her.

Over the past 30 years several new drugs have helped to eliminate lung infections associated with CF. Now, the most fervent argument is pseudomonas, a bacterium highly resistant to antibiotic. Once it enters the lungs, it invades and reproduces rapidly, making it even



Forsliver, Paul and Dr. John Röderer searching for the 'influtin' of cystic fibrosis

more difficult for patients to clear their bronchitis. Some of the most promising pseudomonas research is being conducted by a team led by microbiologist Robert Hancock at the University of British Columbia, which has tested 28 different compounds that in effect create holes in the bacteria, making it more susceptible to antibiotics. Said Hancock: "The outer membrane of pseudomonas blocks the penetration of antibiotics because it contains very few holes through which they can pass."

A more radical approach to treatment is to give patients new lungs and kidneys. In two such operations conducted over the past two years, the patients eventually died about 90 days after undergoing their operations. But their deaths were due to complications and not because their new lungs had developed CF, according to Robert Ballif of the U.S. Cystic Fibrosis Foundation in Bethesda, Md. Ballif, Ballif says that the severity of transplanted lungs—and the fact that

they can survive for only a few hours outside the body—will make heart-lung transplants useful mainly for research rather than actual treatment.

At the same time, adults who suffer from the disease are facing a different set of challenges. McKeil, for one, receives no sick leave or disability benefits and must pay \$5,000 to \$5,000 annually for medication and equipment. And Luckey had to quit her job with SunLife's health summer to receive coverage for surgeries, which costs \$10,000 a year. As well, young adults must "graduate" from the care of pediatricians, who may have treated them since birth, to specialists who are likely to be unfamiliar with what traditionally has been a pediatric disease. Said Pierre Beaudry,

Tis the season to be early! Give gifts of **Maclean's** ...and get this Calculator-Wallet FREE!

Give the gift your friends will love:
a year of *Maclean's*...and receive
a gift you'll love: a sleek new
Calculator Wallet—absolutely FREE!

NOW'S THE PERFECT TIME to beat the holiday rush with this generous offer from Canada's Weekly Newsmagazine!

Each week throughout 1986, *Maclean's* will remind your friends of your thoughtfulness in sending them the nation's most popular newsmagazine!

They'll appreciate *Maclean's* lively style and uniquely Canadian viewpoint. And you'll appreciate receiving, at no extra cost, one of the most attractive free bonus gifts we've ever offered...

Yours Free! Our exclusive new *Calculator-Wallet* is actually two great gifts in one! It's an elegant, brass-tipped wallet of textured burgundy leather—plus a powerful built-in electronic calculator that "remembers" your personal bank balance, and updates it after each transaction!

You also get free UNICEF greeting cards so you can announce your gifts personally. And you can pay after January 1st, 1986, if you prefer. So wrap up your holiday shopping early this year!

Simply complete and mail the attached order card TODAY!

Order by mailing address or telephone 1-800-267-1000.
Master Charge, Visa, American Express accepted.





Diana, William taking care of business

Before embarking on a busy fall schedule, which includes trips to Australia and the United States, Prince Charles and Diana, Princess of Wales, and their first-born, Prince William, 2, left for his first day at **Jane Mynors' nursery school** in the basement of Mynors' London home. It was the first time here to the British throne has attended a regular preschool, and the event caused an instant sensation in the neighborhood. Diana's first trip to Washington, scheduled for Nov. 8, had already stimulated in the U.S. capital Traveling without William and Prince Harry,

the royal couple plan to attend the usual round of dinners and receptions, including a splash at the White House. But they will also be taking care of business: the trip includes a stop at the city's main I.C. Penney department store to promote British products.

On of the foremost dramatic coloratura soprano, Dame Joan Sutherland, has dominated her field for three decades, pairing often with her husband, conductor Richard Bonynge, to resurrect largely forgotten 19th-century operas. Now, encouraged by director Lotfi Mansouri, Australian-born Sutherland has agreed to perform with the Canadian Opera Company in a rarely seen version of *Messaline* by French composer Ambroise Thomas. Bonynge has agreed to conduct the scheduled six performances between Oct. 4 and 19 in Toronto. Singing the role of Ophelia, a delicate teenager who eventually succumbs to madness and death in Shakespeare's play, presented no apparent problem to the 36-year-old, five-foot, eight-inch grandmother. Said Sutherland, whose Hamlet will be the 60-year-old, six-foot, ten-inch Dutch baritone John Neschling: "I am surrounded by a tall cast—and I will not stick out like a montarilla."

Adopted at birth, **Catherina Stone**, 22, received a mysterious inheritance of \$2,000 when she was 21 from the estate of **Lily Williams**, mother of the legendary country musician Hank Williams. Then, said Stone, "I also learned that I was Hank Williams' daughter—but I couldn't prove it until

last year, when my lawyer got a copy of the contract my father made with my mother stating that he wanted me and would look after me after I was born." Now Stone wants a recording career of her own—and her share of the royalties from Williams' 129 songs. The hard-living singer died at 29, five days before Stone was born. Stone's lawyer, Washington-based **Kathy Addison**, says he has a copy of the Oct. 10, 1933, contract between Williams and **George J. T.**

which Williams undertook to raise the child and to get a one-way ticket to California. (He died there in 1950.) Stone said, "There's a great deal of money involved, but to know that my father really and truly wanted me—that's a gift."

—Edited by BETTY LARIBOURTE



Sutherland's recording career of her own

Irish bar singer Mary O'Dowd, 26, whose wounded rendition of *O'Carolan* in Yankee Stadium on Sept. 14 made her notorious with Toronto Blue Jays fans and gained her an unlikely new prominence in her native New York, says that she feels "a normally happy life—but not like this." Invited by both *The Toronto Star* and *The Toronto Sun* to sing the Canadian national anthem in Toronto on Oct. 4, O'Dowd accepted the *Star's* invitation

—"because it was first"—but kept the *Star's* gifts of a Blue Jays cap and jersey and a Sun sweatshirt for her daughter, **Ella**, 4. But the Blue Jays, having already booked another singer for all remaining games, declined to co-operate. Last week O'Dowd said that she may still come to Toronto, if only to apologize to Mayor Arthur Eggington and other Blue Jays fans in person. Added O'Dowd, "Nobody can

imagine how honored I was or how badly I felt about this. I'm sure there is a scar on my heart with the words, 'Sunday, Sept. 14,' written right across it."

We talked and talked...
and never ran out of things to say.



Baileys. For the moments you treasure.



Stone's daughter Ella

The eccentric charms of a pop poet

Dressed in white lace stockings and a silly smacking jacket, she fluttered tentatively around the stage. With her freckled face and whacky voice, she seemed out of place under the spotlight's glare. But as her piano, ethereal music gathered momentum, Jane Birney spun a web around her audience in Detroit two weeks ago. At 29, Birney has been hailed in *Rolling Stone* magazine as a "fascinating" new artist, and many critics feel she is the finest Canadian songwriter to appear in a decade. Once considered too eccentric for popular taste, the Toronto singer is emerging into pop's mainstream. Her North American tour of 50 cities is currently under way, and last week 20,000 copies of her third album, *The Spookish Sigh*, arrived in record stores. Bald Guy Torngat, music director of Ottawa's CKCH-FM, "She is creating unique, quirky music without strict attention to commercial acceptance."

Birney's career, although remarkably brief, has already drawn a chorus of superlatives from critical quarters. Two of the most popular songs from last year's album, *No Borders Here*, received constant airplay. The *Wistress*, a whimsical look at that profession's occupational hazards, and the enigmatic *Men on the Street*. As well, Birney's evocative videos are among the most imaginative in the medium. Last June, after the singer signed with the influential American recording company Windham Hill, *No Borders Here* came out in the United States to widespread critical acclaim. Billboard, the bible of the American music industry, called it "a superb, compelling and unique" while the New York Times credited Birney for "this one kind of eccentricity and deliberately delirious touch."

Birney's strength lies in her intelligent songwriting. In *Wistress*, Birney's imagery consists of making and splashing water and screaming airplane engines to convey the sense of accepts about life. Her musical compositions have crystallized and analysis, but the playful quality of her songwriting has delighted others. Birney himself credits the videos for much of that support. "People sometimes don't know what to make of my music,

and videos give them a better idea." A committed individualist, Birney grew up in a Toronto suburb, where she rebelled against formal music education, preferring to play the piano and guitar by ear. She was accepted into the music program at the University of Guelph, Ont., in 1975 but eventually switched to science. Said Birney: "Even-

tempered fluctuations. Overhead, a chandelier is adorned with sheets of lyrics. But despite her dated approach to songwriting, Birney has had difficulty articulating her ideas to her group Saal Bentay, who often acts as translators. "A lot of Jane's ideas are very abstract. The lyrics unfortunately is to say, 'This is crap.'"



Birney: emerging from the underground into the mainstream with a quirky style

ery time I left science class I felt like I was in a cloud. Science had exploded to me how something worked." Fascinated by poetry, Birney formed a folk music duo called Java Joe with singing partner Wendy Davis. Playing original compositions, Java Joe soon signed with player John Sebastian—a leading member of Birney's current band—and performed on the Ontario concert circuit. After graduation, Birney would sit a waitress to finance her first album. Recorded in 1981, *Then*, Birney was an accomplished album that received favorable reviews but limited distribution.

Recently, Birney dedicated to electronic and laptop composing on synthesized keyboards. Electronic compositions have crystallized and analysis, but the playful quality of her songwriting has delighted others. Birney himself credits the videos for much of that support. "People sometimes don't know what to make of my music,

so I think a video can help explain it," she said. "With beautiful abstract patterns everywhere." Like an eccentric scientist who stumbles on a discovery, Jane Birney has found a formula that defines pop music conformity.

NICHOLAS JENNINGS/Toronto

TELEVISION

Images without a focus

TELEVISION

(TVOntario, Oct. 4)

In 1982 Canadian critics and social observer Marshall McLuhan declared that modern electronic communications were transforming the planet into a "global village." The evidence is in *Ashley*, a 10-part British anthology of the medium. The documentary shows that the box with the human face has done more than any other phenomenon to support McLuhan's contention.

Television points out that an estimated 2.5 billion people now watch 650 million sets in 162 countries. And because of the dominance of the American television industry, many of those viewers watch the same programs from Superbowl football to reruns of *I Love Lucy*. As Television makes clear, the "global village" has come to mean the dominance of US pop-culture. Unfortunately, such insights are rare in the series. Caught up in the medium's tendency to superficiality, Television is less an in-depth study than a grab-bag of potent images from the past.

Those images reflect every facet of what consider Spike Milligan once referred to as television's "Jelly and Hyde Face." The series examines everything from soap operas to the making of educational programs in rural India. But its comprehensiveness demands that Television fit from topic to topic like an electron butterfly. The introductory program, *Visions of Power*, establishes that hectic pace with a whirlwind review of what is to come. The second adopts a more comfortable pen with its intriguing look at John Wayne Bard, the Bow who fashioned the Iron television out of a bicycle lamp and an old oil cloth in the 1960s. But the rest of the series returns to the speedy talkfest format, snatching brief fragments of interest between moving historical footage, including shots of the 1980 moon walk.

Television's effectiveness as a historical snapshot reaches its peak in the fourth program, which explores the history and practice of news broadcasting. The sonata of a newsman, Banjo Joe McCarthy, quaffing as his father, American reporter George, in 1964, carries along. The newsman, who ends his day as a television anchorman—was added by television reporter Edward R. Murrow's exposure of the senator's水门丑闻. Television's fifth installment further examines the

political power of the medium when it contends that images from Southeast Asia helped turn Americans against the Vietnam War. The program claims that the sight of their fellow countrymen dying convinced viewers that they were fighting an unwinnable war. It is a point that invites discussion, but Television

—JOHN REEDSON



LINTORONTO
IT'S ASHLEY
FOR JAGUAR.

In everything we do, professionalism is key.
Take into the jaguar salar, leasing and
service specialists at Ashley Motors soon. A
demonstration drive is years for the asking.

ASHLEY MOTORS

1001 Victoria Drive by Victoria Auditorium 705/267-75-00

Taste the difference.



Any way you mix it
the great flavour of Jamaica
comes through.

AGRICULTURE

Tractors with smarts

Ronald Palmer was a 20-year-old student pilot in 1955, trying to fly straight lines over Ottawa, when he says he suddenly began thinking about tractors. He was looking a Canadian 150 km north by boating on an rocky island from agricultural beacon. But the young computer specialist had also grown up on a farm 56 km north of Regina. And he realized that a similar directional system might reduce overlapping, a common problem on huge farms, hence when farm implements needlessly cover the same ground twice. Now, Palmer has invented a computerized system that will help farmers seed and spray their fields in precise straight lines. Said Palmer, now a professor of engineering at the University of Regina: "It will cost between \$5,000 and \$10,000—but on a 1,000-acre farm the system will pay for itself within three years."

Canada and the Saskatchewan government have already provided \$150,000 worth of research grants to develop the system. And several companies are considering investing in the manufacture of Palmer's invention. One reason, according to Statistics Canada, the province's 55,000 farmers spend more than \$1 billion each year on fuel, pesticides and fertilizers, and Palmer estimates that widespread use of his invention would reduce overlapping—shaving as much as \$100 million from that bill.

In fact, Palmer receives about seven calls each week from farmers who want to help him test his creation. Palmer first sets up two small beacons which beam radio signals from the edge of a field to a portable receiver in the cab of a tractor. Using the signal to determine the tractor's exact location, the operator regulates the implement in a computer terminal while also recording the width of the field and any obstacles (such as bushes or slopes) to be avoided. Then the driver simply watches an arrow-shaped indicator to determine which way to steer in order to remain precisely parallel to the first track. Palmer—and his prospective backers—say they are already convinced that farmers will buy the system, which should be on the market in about three years. If they are correct, computers may as common in the field of \$100,000 combines as air conditioning and tape decks.

—DALE EBBS in Regina

TECHNOLOGY

The traffic jam in space

The term "outer space" usually conjures up an image of a vast, largely empty expanse. But to scientists and engineers involved in launching communications satellites outer space is a teeming network of electronic wizardry. Indeed, there is growing concern that the number of parking spots for satellites is filling up. And at a recent United Nations conference in Geneva last month representatives of Third World countries complained that satellite communications are quickly becoming a monopoly of the industrialized world.

Experts are not concerned that satellites may collide, but because there is a limited number of frequencies available for transmission. If satellites are placed too close together the signals conflict. The Indian and Indonesian governments have already been forced to make time-sharing and costly adjustments to their new satellites to avoid interference from existing spacecraft. And officials from other Third World countries say they are worried that by the time they are ready to



Satellite launching over crowded orbit

launch satellites, there may be no frequencies or orbital slots left for them.

In Geneva, Third World delegations called for a system of reserved spaces and operating frequencies for countries that have yet to launch satellites. But the industrialized countries, led by the United States, opposed any restrictions on current satellite development and claimed that resevation plans would prove unworkable. Canadian delegations leader William Montgomery declared that a "fixed system simply won't work." But the efficacy of sharing orbital positions with the United States aggravated the Canadian position. Said Montgomery: "The problem comes from the United States, a nation whose own satellites run optimum positions."

In the end, the Geneva conference closed with a compromise to reserve one space and part of the existing operating frequency for each of 150 countries that have yet to launch satellites. The agreement apparently satisfied Montgomery. But the United States registered a formal reservation to the plan, which its delegation said was sensible and democratic. Indeed, one US delegate insisted that the plan simply would not work at all. And if that proves to be true, the issue of access to space could still cause global confrontation.

—ERIKSON ROLLING in Geneva

TRINIDAD & TOBAGO

Discover a world
the world hasn't discovered.



In Trinidad & Tobago, we tend to keep quiet about having some of the best surf, sand and sun in the Caribbean. Why? Because we have so much more to tell you about.

Like Trinidad's surprising cultural mix, a rich heritage of African, Asian, European and South American influences that explode in vibrant color during our annual Carnival celebration.

And Tobago's unspoiled splendor—where reefs teem with big, beautiful fish and the land shelters more exotic birds per acre than any other Caribbean island.

Trinidad & Tobago is your original Caribbean, home to a friendly and spirited people who have given the world its calypso, limbo, steelband and its most unique Carnival.

It's a vacation destination as exot-

ic as it is beautiful—a destination the world hasn't discovered.

Come discover Trinidad & Tobago.



TRINIDAD & TOBAGO

Come discover a world the world hasn't discovered.

MICHAEL T. 1989 56

Fighting over custody

Paul Hinch, a 35-year-old Ottawa hotel clerk, is the father of six children. But he is twice divorced, and he has not seen the four children from his first marriage in more than 10 years. As well, his limited resources easily permit him to visit the two children from his second marriage (who now live 350 km away in Quebec) about once a year. The reason, even though Hinch spent 12 years and an estimated \$60,000 fighting for sole custody of his children, is the courts awarded that right to his ex-wife. Now, Hinch is executive secretary of the Canadian Council for Co-Parenting (CCCP), an Ottawa-based coalition formed last March. The organization, with representatives in all provinces except Prince Edward Island, is campaigning for approval of amendments to Canada's new federal divorce legislation. The CCCP recommends that joint custody be enshrined in law as the preferred option in custody cases. Declared Hinch: "Joint custody should be the prime consideration, on the assumption that access to both parents is beneficial to the child."



Hinch: Hinch: debating divorce laws

Many lawyers and family counsellors are convinced that the number of divorcing couples applying for joint custody—in which both parents legally share the responsibility for raising their children—has increased. Although statistics are not available, they cite such factors as a growing dissatisfaction with the adversarial nature of divorce proceedings, the growing number of working mothers, and fathers who increasingly play a larger part in raising their children. Still, family law in Canada makes no provision for joint custody, although the courts will consider ordering shared care when responsible parents make a joint petition. But usually they do not grant joint custody in cases where one spouse applies for it against the wishes of the other.

The custody campaign is the latest issue in the debate over Canada's divorce laws—an argument that began in the mid-1970s when lawyers, women's groups and private citizens began to petition for changes in the 1968 Divorce Act. Those groups recommended the introduction of no-fault divorce—in which marital breakdown would be the sole grounds. They also proposed for the elimination of the current three-year separation period needed before a divorce on grounds of marital breakdown can be granted. These recommendations were included in the Liberal government's proposed 1984 divorce legislation, although the bill had not yet been passed when the government changed hands after last September's election. Still, concerns that divorce law amendments would be delayed were eased when the new Conservative government announced almost immediately that it would make the issue a priority.

Indeed, last spring Justice Minister John Crosbie introduced two new bills in the Commons. The Family Orders Enforcement Assistance Act is intended to provide improved methods for enforcing maintenance and custody orders. For one thing, the proposed legislation would give court officers access to federal data banks to trace spouses who default on child- and spousal-support payments. The other bill, the Divorce and Custody Reforms Act, shortens the separation period to one year from the current three, and removes requirements that spouses file together for up to 90 days without affecting their divorce proceedings. As well, the act eliminates 12 of the current grounds for divorce, including adultery and irreconcilable, and makes divorce contingent solely on separation of one year, adultery or physical or mental cruelty. "It's a great step forward," Crosbie told Maclean's.

The proposed new legislation clearly gives the courts authority to award custody to either or both spouses. But doc-



Two modern examples of efficient, flexible electric heating.

Two very different homes, with different heating problems. But they both want the most efficient and economical form of home comfort.

The home on the left was built way back when. And in those days, oil was the least expensive alternative for home heating. But times have changed. So the heating system has also changed. The owners have added an electric plenum heater to their oil furnace, which has reduced their fuel bills substantially.

The home on the right is the new guy on the block, and because it's new, it has the latest heating technology. The owners chose an electric heat pump, a system so efficient that it actually delivers more energy than it takes to run it. A system so versatile that, in summer, it reverses its cycle and air conditions the home.

Two very different homes. But they both chose electric heat. With electric furnaces, room heaters, heat pumps, plenum heaters and hydronic boilers to choose from, there's an electric system right for every home, old or new. If you'd like help choosing the best one for you, call your local Hydro or contractor.

Ask us about the new Enemark loan plan. Financing available through the Royal Bank at preferred interest rates.

Stamp out
cold feet
with electric
heat.



**"Peter," I said,
"How come your hair looks so healthy?"**

"Tegrin Medicated Dandruff Shampoo,"
he replied to my amazement.



1. Mr. Tegrin Medicated Dandruff Shampoo Isn't that just for problem dandruff?

Peter: If you want healthy-looking hair - you have to start by getting hair and scalp really clean.



2. Peter: When I shower I use Tegrin regularly to do a thorough cleaning job

Mr. And your clean, healthy, looking hair is proof that Tegrin helps control dandruff.



3. Peter Right. And Tegrin also helps control that itchy scalp that used to annoy me.

Me: Again, it shows Tegrin gets your scalp really clean.



4. Me: I'm going to give Tegrin Medicated Dandruff Shampoo a try myself.

Peter: You should try the herbal ones. Works just as hard as regular Tegrin to get your hair and scalp really clean.

President Richard Hesey argues that by maintaining custody and cruelty as grounds for divorce, the government makes joint custody difficult to obtain. One reason: during bitter custody cases one spouse filing for sole custody may influence the court by casting suspicion on the other—often by committing perjury. As a result, the CJC last month submitted a list of proposed amendments to the Commons standing committee on justice and legal affairs, which is studying the new bill. As well as asking that joint custody be made the preferred option, the CJC recommends that when spouses cannot reach an agreement, the courts should appoint a mediator. The CJC is also urging that all grounds of fault be eliminated, not only because they can sway the courts' judgment but also because they subject children to unnecessary attorney fees.

For their part, opponents of forced joint custody argue that ordering estranged parents into such arrangements could be detrimental to a child's welfare. Deirdre Louise Duval, vice-president of the Toronto-based National Action Committee on the Status of Women: "When parents do not agree upon entering a joint-custody arrangement, the effect is as if you were monitoring the divorce action forever. You have a potential legal fight on every decision made affecting the child." Adds Duval: "It's a very small minority of fathers who are interested in having custody in the first place. We would like it specified that there cannot be joint custody unless both parents agree." Creative materials that the proposed legislation provides strong guidelines for courts to award joint custody where it is agreed upon. Deirdre the parent minister: "I have no doubt that in the future there will be far more awards of joint custody. But the courts will have to examine all of the circumstances. It would not be sensible or proper to go beyond that."

Still, Hesey said a 1983 University of Toronto report found that of 300 Ontario families who chose joint custody, 77 per cent said they were satisfied with the situation, and 88 per cent recommended it in the event of marriage breakdown. Hesey added that in California, joint custody has been a pre-emptory law since 1980. Couples generally have their petition approved by the courts unless a third party can substantiate reasons to the contrary. When spouses cannot agree, the courts then refer the issue to mandatory mediation. Deirdre Hesey, after noting the changes occurring in the United States—and the concerns of divorced parents in Canada—"Mr. Crozier is not paying attention to the tidal wave of change."

—BRIAN JEFFREY STREET • Toronto



Make room for the office typewriter you don't have to make room for. The Canon AP 100.

If your typing needs are quite large, but your space is small, the Canon AP 100 is the answer.

The AP 100 is a full-fledged electronic that gives you everything you've always wanted in an office typewriter. Like a one-line correction memory for clear, error-free typing. A snap-in daily wheel for a choice of letter-quality typefaces. And a long list of time-saving automatic features.

It's quiet, too. So you can type without everyone hearing about it.

Canon knows about the growing office. So we designed the AP 100 with plug-in capability to word processors and personal computers.

If your typing needs are greater still, we have the AP 150 with a 2,000-character memory that lets you store a full page of text. And a big 30-character display that catches errors before they hit the paper.

The AP 100 and 150 from Canon... small in size, but certainly not small in ambition. Two reasons why Canon will remain a touch more advanced.

For more information, call 416-678-2730. Or write to Canon Canada Inc., Electronic Typewriter Division, 6390 Dixie Rd., Mississauga, Ontario L5T 1P7.

Canon
A TOUCH MORE ADVANCED



Meridian SL-1. The evolution continues.

The Meridian SL-1

Introducing the next phase in the evolution of the SL-1 business communications system. Meridian SL-1 represents Northern Telecom's continuing commitment to enhanced communications.



The Evolution Continues

If you already have an SL-1 it can be easily enhanced to offer the features of the Meridian SL-4. If you don't have an SL-1 already, there's no problem; the Meridian SL-1 is easily installed, using standard office telephone wiring.

And Northern Telecom's digital communications experience ensures that the Meridian SL-1 systems for information management will be just as reliable as your phone system.

For more information contact your Meridian SL-1 representative, or call 1-800-361-7950.

The OPEN World Commitment

With the Meridian SL-1, and its continuing evolution, people are able to share ideas and information without having to leave their desks. And that's productivity.

Innovative Information Services

A powerful system, the Meridian SL-1 handles all relevant media -- voice, data, text and graphics. With the Meridian SL-1 you can tie telephones, word processors, printers, and a variety of computers and terminals together. And the Meridian SL-1 is designed for applications of 30 to 5000 users.



When there is
business to be done,
business meets on
the Meridian.

nt northern
telecom

Fame and forgery

LOVE AND LARCENY
(CSC, Oct. 6)

Betty Bigley, a ravenous fortune-seeker, was one of the most notorious Canadian women at the turn of the century. After growing up in obscurity on a farm near Woodstock, Ont., she used her considerable charm and a talent for forgery to amass a huge fortune in the United States. Although the authorities sent her to jail several times during her much-publicized career, she always rebounded into new positions of wealth. Indeed, her life was the stuff of melodrama—but it's not least of the makers of *Love and Larceny*, a captivating, three-hour CBS special. *Love and Larceny* turns Bigley (Jennifer Tilly) into a female Robin Hood who is unfailingly sympathetic because her schemes are so daring as they are illegal—and because the businesses she steals from are so crooked themselves.

Love and Larceny resembles Bigley's checkered life, but only a perfect mold could match Tilly's performance as a scatterbrained dreamer with a heart of



Tilly, Date induction and grand盗賊

solid slightly tarnished gold. Early in the film the character wins the audience's sympathy when she is seduced and abandoned by a rich British army officer (Treat Williams). After that disaster, Bigley is prepared to escape prison, do whatever it takes to stay free, buy new clothes and, when caught, fabricate a way to escape conviction. Making her way to Montreal, she parlays a \$500 loan into a prosperous gambling establishment that subsequently goes bankrupt again. In trying to raise money to save her father's mortgaged farm, Bigley forged more cheques—and goes to prison, although not for long. A few years later she is in New York, back once again and trying to get richer by posing as the illegitimate daughter of millionaire industrialist Andrew Carnegie.

Date responds to Bigley's astonishing earnestness with a sense of mounting—*which is exactly what the larger-than-life role demands*. Baiting her eyes, pawing, dropping in and out of frame across, the beautiful actress achieves just the right balance of wit, charm, greed and stupidity. But Date is most skillful at showing how Bigley turns shrewd into a coldly calculating woman who uses sex as a weapon and whom only friends are family.

Amazingly, Bigley remains appealing through that change, because her surroundings are mostly rich bankers whose pomposity invites their endings. Bess Petty brings just the right touch of cold, faintly smirking haughtiness to the role of Vandene, the Woodstock financial bent on acquiring the Bigley fortune. And Chris Wiggins gives the most abidingly令人印象深刻的表演 in the production as Newton, the clear New York bank executive who respects the young woman's claim on Andrew Carnegie. But not all the vaingorging cast in *Love and Larceny* is so villainous. Betty's guardian angel is a soft-hearted Montreal lawyer, Ashton Fletcher, played with courtly charm by the veteran Douglas Rain.

Such characters bring an irresistible gravitas to *Love and Larceny*, making a result that exaggerates the offensives of real life. Still, such an approach runs a constant risk of sounding like clichés. With Bigley's father, Dan (Kenneth Page), songwriter Douglas Brown (Emmett J. Flynn) has created yet another heavy-handed version of the bullying, 19th-century Calcutta patrician who sounds invulnerable on script and Brown's dialogue is sometimes both stodgy and gratingly modern. But the sheer energy of the production—and its sumptuous period sets and costumes—help it to override its shortcomings. *Love and Larceny* is a Clark Kent song: it is endlessly entertaining.

—JOHN REMBORE

ARRID

XX*

**EXTRA PROTECTION
IN AN ANTI-PERSPIRANT**

Arrid XX contains effective ingredients for axilla, axilla protection against problem perspiration that can cause embarrassing odour.

Efficiency expert.



Earn Aeroplan miles with Lufthansa.

Lufthansa

Canadian Gateways • Vancouver • Calgary • Toronto • Montreal
See your Travel Agent or Cargo Agent

*Be recognized
by your taste in Scotch.*



FOR THE RECORD

Big talents, small labels

Small but enterprising record labels which serve as launching pads for artists who are destined for greater heights. Toronto's Marquis Records and Montreal's McGill University Records, recently have also played that introductory role with classical releases by Canadian violinist Catherine Robbin and the Mount Royal Brass Quintet. The albums' recordings should serve as yet to major record labels that these Canadian artists deserve a much wider audience.

Catherine Robbin (Marquis), a debut solo album, is a vivid and varied recital with skillful, diverse piano accompaniment by Michael McNamee. Her Tchaikovsky-sopranos's colorful voice evinces on works by Purcell, Schubert and Brahms and in arrangements by Benjamin Britten and Godfrey Ridout of several English and Canadian folk songs. Her innocence, lyrical sensitivity and sheer musicianship Robbin clearly ranks with established masters of international caliber. Her Purcell is drumtight, her Schubert affecting, and her folksongs are both whimsical and honeyed. Robbin's innocent voice seems effortless throughout the intelligent repertoire, and her versatility is highly enviable.

Virtuosity equally abounds on Steven Novak (McGill), a stimulating recital of four 20th century works by the Mount Royal Brass Quintet. The Montreal-based group successfully tackles Maurice Ravel's *Shelley's Dream*, a charming piece by American composer Gardner Read in which piano-supported fragments are joined by three string quartets, two Canadian brass bands, a soloist and the "adolescents" of Quebec. The Mount Royal Brass Quintet, the Montreal-based group successfully tackles Maurice Ravel's *Shelley's Dream*, a charming piece by American composer Gardner Read in which piano-supported fragments are joined by three string quartets, two Canadian brass bands, a soloist and the "adolescents" of Quebec. The Mount Royal Brass Quintet, the

French *Monologues*. While it may straiten the group's wide range, but the Quintet's many endearing twists are superbly born from Delibes' *Music for Brass*.

The Quintet's *Monologues* performances are surrounded by more sociable, easier movements; the pieces reveal the young ensemble's considerable promise. Novak's new sounds performed with razor-sharp precision like Robbin's solo album, the Quintet's *Brass* does almost look too refined to small, specialized record stores across Canada. Both are first-class recordings which could proudly sit on record racks anywhere in the world.

- JOHN PEACHT

NOW...TWO NEW TITLES ADDED TO THE **KRIEGHOFF** MASTERPIECE REPRODUCTION SERIES A LIMITED EDITION FOR DISCRIMINATING COLLECTORS

"STARTLINGLY LIKE THE ORIGINAL PAINTINGS"

- G. Blue Lang,
of the Lang Galleries



WINTER SCENE
16" x 12" shown in
goldtone Canadian frame



LOG CABIN WINTER SCENE
16" x 12" shown in
goldtone Canadian frame



THE INDIAN CAMP SITE
16" x 12" shown in
goldtone Canadian frame



CHIPWOODS ON LAKE ST. PIERRE
16" x 12" shown in
goldtone Canadian frame



NEW!
**LEON LUCHI, MOUNT ROYAL
IN BACKGROUND**
16" x 12" shown in
goldtone Canadian frame



NEW!
THE SNOW STORM
16" x 12" shown in
goldtone Canadian frame

**REPRODUCED WITH THE KIND
PERMISSION OF THE CANADIAN
MUSEUM FOR FINE ARTS, TORONTO**

The Marquis Collection, 777 Bay Street, Toronto, Ontario M5R 1A7.
KRIEGHOFF MASTERPIECE REPRODUCTIONS 15 DAY FREE TRIAL OFFER. You, the customer, may examine any Krieghoff Masterpiece Reproduction for 15 days. If you are not satisfied with the quality or subject matter of any reproduction, you may return it to us at the cost of surface mail within 15 days for a full refund or exchange of any reasonable charge.

QUANTITY:

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300

SAVE BY ORDERING SEVERAL AT ONE TIME.

Your reproduction will be shipped in a padded envelope. Please indicate quantity and add shipping charges. Total quantity must be 10 or more to qualify for free shipping.

DOMESTIC QUANTITY: Add \$1.00 per item. Minimum order \$10.00.

INTERNATIONAL QUANTITY: Add \$1.00 per item. Minimum order \$10.00.

SHIPPING CHARGES: Add \$1.00 per item. Minimum order \$10.00.

DISCOUNTS: Add \$1.00 per item. Minimum order \$10.00.

ratio, the quota give participants "a chance to be important on a public scale." These seats increase people's chances of doing something important for society."

But for Guelph's Middleton, public indifference to her cause was as much of a shock as the frigidly cold waters of Lake Ontario. After an evening entry at Niagara-on-the-Lake, she spent 14 hours and 34 minutes battling the currents, cold and fatigue before landing in downtown Toronto the following afternoon. Set the Guelph and District Association for the Mentally Retarded raised only

\$1,000 in a door-to-door campaign conducted before Middleton plunged into the lake—an amount that barely covered the expenses of staging the marathon. After Middleton became the 59th person to swim across Lake Ontario—a feat which 16-year-old Marilyn Bell first accomplished in 1964—the association mounted another \$5,000 in donations.

But swim organizers say that their failure to obtain advance publicity hurt their cause. Distressed association spokesman Penelope Quatley: "We tried to get publicity for more than six months before the swim, and no newspaper or television station in Toronto wanted the story—until she completed it."

Rasaraba, who has already conquered the Rocky Mountains and the Prairies,

says he will not consider his trek complete until he reaches Ottawa. Travelling a wheelchair filled with clothes, a tent and a sleeping bag through South St. Marys, Ont., earlier this month, Rasaraba said that he hoped for a face-to-face meeting with Prime Minister Brian Mulroney. He added that he hopes to convince Mulroney that the federal government should make it easier for senior citizens and the handicapped to receive mortgages. Rasaraba's pensioner, several banks refused his request for a \$15,000 mortgage, telling him that he was too old and poor to qualify. Rasaraba, who lives on a federal pension income of less than \$600 a month, then took to the road.

Meanwhile, Rick Hansen was propelling his wheelchair across Poland, continuing a journey that has already taken him as far east as Moscow. Travelling an average of 210 km each day, Hansen has already covered one-third of a 40,000-km circuit through 37 countries and across five continents. And he says he expects to be wheeling his way across Canada next year for an arrival in Vancouver in October, 1988. The five-member support crew accompanying him shares that view for one thing: Hansen has won 10 wheelchair marathons since in the 12 years since an auto accident left him paralysed below the waist.

These remarkable achievements made Hansen Canada's Outstanding Athlete of the Year in 1983—an award he shared with hockey superstar Wayne Gretzky. And Hansen's dire personal public awareness of the handicapped has prompted 31 corporate and government sponsors to underwrite the \$10-million cost of the tour. But although he has covered vast distances, Hansen's financial objective—raising \$10 million for spinal cord research—remains elusive. In fact, he has travelled through Austria and Switzerland this month but has received less than \$500,000 for his efforts. And Hansen also has the difficult task of convincing would-be donors that funds for spinal cord research are as urgently needed as money that supports the search for a cancer cure. Said Hansen: "It is anachronistic just to wheel around the world, but we also wanted to set an example," he said. "People don't understand what I do." And as Tokyo begins attending college norms in Calgary in pursuit of another objective—becoming a pilot—he wishes Hansen success in an increasingly difficult venture. Said Tokyo: "I hope he makes it to Vancouver—and raises the money he wants."

WINES FONTANA DI PAPA IMPORTED FROM ITALY

Do we need
a reason to celebrate?

No, but I'm glad
you didn't forget.

FONTANA DI PAPA
COLLI ALBANI DOC
Wine of controlled origin

A mellow, dry
white table wine of
superb quality.

FONTANA DI PAPA
CASTELLI ROMANI

A light, dry red wine
that adds a touch of
elegance to most occasions.



Available in
1/2 litre, 1 litre, 1.5 litre bottles.

CANADIAN AGENT: SAWERIO SCHIRALI AGENCIES LTD. TORONTO, CANADA

SAWERIO SCHIRALI & CO. TORONTO

HOW LONG ARE YOU WILLING TO WAIT FOR YOUR FREE TRIPS?

CP AIR EX

THE OTHER ONE

TORONTO-VANCOUVER RETURN TRIPS

THE SWITCH IS ON TO CPAIR'S TRAVEL BONUS PROGRAM.

The real point of any frequent flyer program is simply to get free trips.

And the real truth is, you'll earn free trips at least twice as fast with CP Air's Travel Bonus Program.

A 10,000 point headstart with us.

Join before October 28th and you'll get 5,000 points for starters. Plus 5,000 more if you fly us or our travel partners within 45 days. That's 10,000 points towards free trips.

So join now and two free tickets to Europe or Hawaii will be yours after the equivalent of 9 Toronto-Vancouver return trips.



On The Other One you'd need 19 trips. And better forget about Hawaii with them, they don't even fly there. In fact, we offer the most interesting places to fly free — like Fiji, Tokyo, Europe, New Zealand, even South America.

The point is, you're miles ahead with CP Air. Lots of time to earn points.

Thousands of free trips have already been won, and we've extended our free program another two years to December 31, 1987.

So switch now and get your 10,000 point headstart. No point in being stuck on a Frequent Flyer Plan that takes twice as long to get your free trips off the ground.

We give you free trips sooner.
Much sooner.

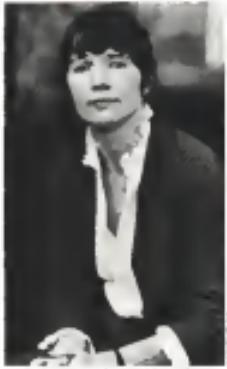
Join today. Call 1-800-663-0290.

© CP AIR 1987. An equal opportunity employer. © Canadian Pacific Limited.

A man without a country

THE ACCIDENTAL TOURIST
By Anne Tyler
(Penguin, 245 pages \$19.95)

Marie Loyer, the central character in Anne Tyler's 10th novel, *The Accidental Tourist*, has found a job that utterly suits him. A precise, systematic and home-loving man in his sedentary 40s, Marie writes travel guides for business people who would really rather stay at home. His logo is an armchair with wings. He believes the trick for relatively travelled tourists is to take as much of home with them as they can. The unfortunate part of the job is that Marie, who loves to leave his Baltimore neighborhood, is forced to travel to update his guides, undoubtedly costing foreign capitals for mediocre hotels. His audience is too numerous to pursue the writing contact with different cultures. He advises his readers to take only one suit, and the rest of his words as that subject come from the depths of his eccentric heart. "The suit should be a cushion gray. Gray not only hides the dirt, it's ready for sudden funerals and



Tyler's toursts who want to go home

other dismal events." Once a person is seen from home, Marie says, death can just happen—everone's own.

From the opening strokes of her portrait of Marie, a reader guesses that Tyler will walk him through the pages of a remarkable transformation before the book ends. Although readers can predict almost exactly how he will break out of his careful cocoon, Tyler makes them want to witness every fancy and audacious or her riotous change in him. Tyler is an old-fashioned yet extremely gifted and comic novelist of character, and *The Accidental Tourist* is an obvious blood relation of her finest works, *Morgan's Porridge* (1980) and *Domesticity at the Museum* (1988). Over 30 novels Tyler has not won her major theme—how families, happy or unhappy, choose or involuntary, affect character, especially male character; instead, she has become progressively better at weaving variations on it.

Marie's true blues begin where he feels safest, in that comfortable armchair of routine relationship, his home. The things he fears most in foreign places—being cut off, unknown, lost—begin to happen to him in his beloved Baltimore. His 12-year-old son, Ethan, is randomly killed by the riveter of a Berger Brosniak restaurant. With their only child gone, his 30-year marriage to Sarah falls apart. His wife believes that she knows

Marie is the bone, that he is rational, logical and unfailing. He is still trapped in the past he used to see her, one of irreverent and vaporous shadows that made his stand out in the crowd of the teenaged. Sarah's eager admirers started by the newsless death of his son, Marie cannot abandon the person he became for Sarah. His wife does not expect him to bring her along—until, when he does not provide any, the lesson hits.

Without Sarah, Marie is suddenly a man without a country who feels like a tourist in his own house. To deal with the situation he begins to apply all the systems he uses when travelling. He shower, dressing them underlined like grapes. He uses cut-off clothes, he drops in a new sheet every morning. To eat down like a man does, he begins to keep the new full of choices, options to which he always adds dirty plates. He becomes distinctly cold, but it is the systems he establishes for the family pet, Helen the cat and a Welsh corgi named Edward, that finally lead to his downfall. In a spectacular and funny incident involving a coal stove, a clothes dryer, a cat door and dried dog food, Marie breaks a leg falling in a lucifer, he throws his shabby and delapidated self onto the lawns of his new family: his spinster sister, Jane, and his two divorced brothers, Porter and Charles, who have all returned to live in the Loyer grandfather home.

Most of Tyler's main characters try to go "home," at one time or another and most of them are catapulted out again by the rude realization that homes are made and not born into. The sexual ex-pat in *The Accidental Tourist* is the dog, Edward, who suffers a very atrocious nervous breakdown over the changes in his life and requires the therapeutic services of a sharp-tongued, slightly eccentric dog trainer named Muriel Pritchard. She almost strangles her dog, but she finally finds Marie.

Loving with Muriel and her son is a noisy, working-class neighborhood unlike anything he had ever allowed himself to know; Marie becomes the person the reader was waiting for, a kind man "weeded for his soft heart," a traveler at last open to new experience. Tempted one last time by a sensual Sarah and his old life, Marie finally settles on Muriel, recognizing that "who you are when you're with somebody may matter more than whether you love her." To change themselves, Marie and many of Tyler's men have to shift a dialogue to a new family. The immigrants moving to a new country. In Anne Tyler's novels women are the countries in which men wander—and, in some sense, always remain tourists.

—ANNE COLLINS

REMY-PANNIER
BEST CELLAR
LIST

ANJOU
A delicate white wine of quality from the Loire Valley. A touch of sweetness accompanies a mature depth of flavor and fruitiness.

BLANC DE BLANCS
A refreshing tasting dry vin de table. Its clean crisp taste makes it ideal for almost any occasion.

MUSCADER DE SÈVRE ET MAINE
A premier wine from the mouth of the Loire where the best of the Muscadet grow. Light and fresh, it is the perfect accompaniment for shellfish dishes.

Represented by
NORMAN GILCHRIST WINES

Humor for humor's sake

THE LIFE OF HOPE
By Paul Quarrington
(Doubleday, 305 pages, \$29.95)

With his third novel, *The Life of Hope*, Paul Quarrington adds another inkling of eccentric characters to the circus cast of Canadian humor writing. The setting is the wild and sometimes toro of Hope, Ont., haunted by the ghosts of its libertine forefathers. The narrator is a boozey



Quarrington's whisky and misfits!

novelist named Paul, who embarks on a drunken exploration of the town's history past. Since Quarrington's last novel, *Home Game*, he has pared down his whimsical style so that fewer words carry more weight. Still, the whole confection is lighthearted, though a shade reality with no higher purpose than fun and mischief.

The story begins with Paul fixing the city on the eve of his 30th birthday to work on his second novel in Hope, where a friend has loaned him a house. Neglecting his duties at the typewriter, Paul becomes a patron of a bar called Wifing Mind and develops a fascination for the local residents. They include a

homosexual Indian who has visions and seances, a vengeful garrulous barman named Big Bertha, a bartender with loose morals and unashamed bravado and a 200-year-old talking fish known as O'Malley, who eats steaks for breakfast.

Except for the fish and the Indian, most of Hope's residents appear to be descendants of a religious sect called the Perfectibilian Free Church. The leader was the town's founder, Joseph Boston Hope, who preached an unorthodox doctrine of nudism and free love before meeting a mysterious and violent death in 1889. A statue in the town square depicts him in a somewhat modest manner. For Hope annual around was a direct expression of the Fly Speer, Paul's own creation. Rolling a cigarette of his hashish hash, he drives around the town avenues to investigate the secrets of Joseph's life and death. The chapter skip book and Bertha between Paul's riddling exploits and a mock hunting of Joseph's deceased men through the 18th century. What feels like two stories in the potential here for the elusive O'Malley. And Flying serves as the book's central metaphor. As the Indian, Jonathan Winterton, observes, "When one is a fish, it's a dog-eat-dog world."

Quarrington's playful, backslid humor writing is seldom hysterically funny. The laughs accumulate gradually in the reader's mind like a dog. Slowly, the abundant smirks are not wildly erotic but gently, searing and sweeting. The author takes delight in using an array of amateur expositions to describe various private parts, including "cavities," "twists," "joints," "canals," "trunks" and "traps." It becomes hard to tell if Quarrington is advancing prurience or lust, but then such willful evolution is part of his absurdly farcical.

Quarrington likes to play the literary satirist. And for much of the novel his penance make for enjoyable reading. Toward the end, however, the jokes wear thin and the plot falls short of its promise. It is as if the novelist has literally painted himself into a corner. The final target of his satire could well be literature itself. To see one, Paul's professor friend invites his female students to a hokum seminar to discuss "the modern novel and its purpose in a world that's about to be nuked into nothingness." The session evolves into an orgy. With *The Life of Hope*, Quarrington demonstrates that although the modern novel may have no future, it can still be a source of considerable fun.

—BRIAN D. JOHNSON

In search of an identity

CREATOR.
Directed by Fred Frasier

The makers of *Citizen* chose a controversial issue—the potential of technology to create human life. They had in Jeremy Lerner, a writer who worked as a computer engineer at Yale University. They asked Peter O'Toole to play the lead role of an erratic scientist and add director Ivan Passer, who is known for his acerbic handling of sex. The outcome of all that jostling has given a provocative look at the identity of modern man. Instead, the result is a movie with a meagerly identity crisis. Attempting to be a comedy of ideas, *Citizen* succeeds in being neither funny enough nor sufficiently thought-provoking.

Its plot revolves as the longing of biologist Harry Wolper (O'Toole) to re-create his wife, Lucy, who died 28 years ago. Wolper has an assistant, a brilliant young research student named Boris Laskin (Vincent Spano) and access to his university's most advanced equipment. For £600, he is brought back to life. Wolper needs a live human body; he gets it from a pert, obliging drifter named Mira (Mirella Henningsen). But when Mira falls in love with him, Wolper begins to see the inhumanity of his plan.

The most interesting aspect of *Citizen* is its revulsion of the dark side of contemporary science. Although Wolper is selfish, he is also a lonely sage. But an archivist, Dr. Sedney Kunkleback (David Ogden Stiers), perceives the vicious face of science and takes great pleasure in new machines that are, he says, "brighter than God." But Wolper is not ashamed to predict that "when science finally passes over the crest of the mountain, it will find that religion has been sitting there all along."

Working from a script that verges between the witty and the wretched, O'Toole gives a lug performance, relying on a limited range of winks, lures and shrugs. Hemmingsen and Spano struggle valiantly still, the ultimate blouse worn not with Passer, who has created a schizophrenic movie that switches from a melodrama to comedy and from an analysis of science to a lush romance. The viewer never knows what to expect next—or does he much care?

—MARK ABLEY



Above: Linda Hamilton, clutching interlocutor and a solid dose of rock'n'roll

RADIO

Seeking popularity

When CBC Radio's upbeat new sports show airs for the first time this week, it will represent more than a bid to attract a popular audience to the network. The *Fanatic*, which promises a mixture of serious reporting, trivia games and light-hearted features, is part of a dramatic and controversial shift in the public radio lineup. In an attempt to attract a younger audience and increase its ratings, CBC Radio has scheduled 15 new or revamped programs. Including charity contests and popular "Whistly" shows. At the same time, the network is relaxing its emphasis on classical music to make room for lighter fare. Margaret Lyons, vice-president of English Radio Networks, says that the cutthroat corporate battle for what she called a "toy city," said Lyons, "We want to reach the younger age group that more closely resembles Canadian society."

But many listeners may say that these revisions will seriously erode a unique service. Said veteran broadcaster Harry Boyle: "I am critical of populating the CBC. All other radio is so much alike right now, and the CBC is so easily copied from it."

The changes to the Saturday night schedule see the most revealing: The art network, which used to feature Robert Rauschenberg's literary show *Anthology*, will now broadcast a rock music program, *Countdown*, and *Midnight's 45s*, fea-

turing host Danny Facchiano and pop hits from the past three decades. The lineup for the rest of the week includes new programs dealing with such fundamental concerns as business and health. *Variety Thought* has been renamed *Go-Home* to spotlight the skillful interviewing style of Vancouver-based host Vicki Gabereau. And *Dayshift*, a weekend afternoon talk show modelled after the popular *Merv Griffin*, is hosted by playwright and comedy writer Ernst Reiter, based in Toronto. Meanwhile, 19 programs—featuring the Indian affairs show, *Our Native Land*—have been canceled.

This fall's innovations grow out of a Lyons-commissioned study in 1985 which recommended, among other things, that the network aim at a younger market. In keeping with the study, CBC Radio is switching most of its information shows to the AM network while moving some drama and music programs to FM, a higher-quality service frequency better suited to music. These changes have forced the cancellation of such shows as PM's *Midwives*, a daily medical program based in Vancouver, which aired for seven years. The final broadcast last week featured nurses about parting and concluded with a melancholic aria by Italian composer Francesco Paolo Tosti, "Goodbye, Florence." Said production assistant Neil Gillies: "We wanted to end on a note of

grief, I am genuinely sad to see the show go."

Not since the early 1970s, when such revolutionary infotainment programs as *Sunday Morning* and *At the Happen* and *This Country is the Morning* revitalized the network, has a new season's schedule attracted so much attention—and criticism. For months loyal listeners have been complaining that the network was drifting away from intelligent, alternative programming in an attempt to woo the Yippie generation. The cultural community had been expressing concern about the reduction of arts coverage in the shortened version of *Steve Morris* and about the death of *Deadline* last week. Robert Wallace, editor of *The Canadian Press*, responded recently that the State of the Arts, the new, pro-arts *Sunday* arts magazine, passed off the gas. Said Wallace: "The message is that the arts are not important. No matter what you put on *Steve Morris*, people's place, it won't have the same unifying effect because it won't be fully or nearly as in-depth."

But CBC executives say that the changes will not significantly alter the status of the public media service. For her part, Lyons maintains that the critics are overreacting. Said Lyons: "There was always horrible controversy wherever we changed our programming. But that is how we created *As It Happens* and *Sunday Morning*." The question of whether the new lineup represents another era of creative excellence for CBC Radio awaits the judgment of the people who pay for it: the Canadian public.

—DIDIER BAYER with ANN PETERSON in Toronto

MACLEAN'S BEST-SELLER LIST

Fiction

- 1 *Skeleton Crew*, King (7)
- 2 *The Fourth Deadly Sin*, Student (3)
- 3 *If Tomorrow Comes*, Shulman (2)
- 4 *Confessions*, Hugo (6)
- 5 *The Cater Society*, Eaton (3)
- 6 *Changer's Choice*, Herbert (3)
- 7 *Jaded Bachelor*, Astor (2)
- 8 *The Red Fox*, Hyde (6)
- 10 *Jim*, Van L�ster (8)

Nonfiction

- 1 *Lauren, Journeys with Sarah* (1)
- 2 *The Canadian Encyclopedia* (2)
- 3 *Yester, Nugget and Jason* (3)
- 4 *Elvis and Me*, Presley with Marinelli (3)
- 5 *A Passion for Excellence*, Peters and Austin (5)
- 6 *Dancing in the Light*, McLean (7)
- 7 *A Day in the Life of Canada*, edited by Cohen (3)
- 8 *The World of Robert Bateman*, Deering (3)
- 9 *Dr. Alexander's Body Type Program*, Deering and Karp (3)
- 10 *Bear! The Book*, Foster (3)
- 11 *Footlong Hot Dogs*

Behind every great Vodka & Tonic stands a silent partner.



The tiny Kiwis that roared

By Allan Fotheringham

If a man to know that the plucked, often sanctified and dumpy culture has not taken over the entire globe. Despite the winter, there are still areas where the microwave does not rule, tiny spots where Phil Daniels and Ann Landers do not reign, some places where the fine warp has developed so that some catching-up years are necessary to get to where the rest of us comfortably sit. That's why it's nice to see New Zealand, little New Zealand, perched on top of all those four-page healthacts.

Who would have thought it? The Mouse Has Indeed Roared. The tiny nation with the ferocious name now seems to be toppling the government of mighty France. The prime minister and the president of that European power are barking and blling, farricid and exclaiming who or who did not give orders to do what in the sinking of the Rainbow Warrior. More than an environmentalists' ship is involved here. Prime Minister David Lange is no mortal enemy of President Mitterrand. In fact, he's a soul mate, both being good socialists who are supposed to think alike. It makes it look bad for the auster democratic movement across the scale, the one running a government that turns out to be curiously cynical as anything dreamt up by Daddy Warbucks, the other righteously trumpeting for reparations and revenge. Cap Weinberger and Senator Harkin must be laughing.

The point is that New Zealand has come late to the music of the 1980s. The Kiwis, far outnumbered by their sheep, sit down on their idyllic little islands, thought of as little England, every teenager trying to save enough money to make the obligatory tour to Britain, where the natives think of them as not so aggressively cool as the Australians or as Ruth the semi-tarted Canadian last year, you know, quiet, polite little New Zealanders. There is not any such as Englishman born who can say anything about New Zealand. There is not a human being born who can say anything

bad about New Zealand. Good better, tipping it harder, and, you know, the postscript.

Time takes a long time to travel to New Zealand. That's why its progress today is like watching an old black-and-white reversal. In the 1960s North American university students deserved the sport of beating up policemen and destroying property. They have since moved on to other things, like worrying about abit and making money, but there was time when New Zealanders in fact suddenly coming upon the tourists if they had discovered the white

American warships from entering New Zealand ports unless they would divulge whether they were carrying nuclear weapons. The White House, not to mention the Pentagon, has reacted as angrily as if the mouse were a mousie, trumpeting that this pats is jeopardy the whole alliance defense treaty in the South Pacific between the two countries and Australia. American press opinion for a while had New Zealand as a world threat roughly equivalent to East Germany. The sheep would have been amaz-



country took to pitched battles in the streets, policemen stoned and pummeled. The supposed reason, as we know, was the visit of South Africa's rugby team to tour against New Zealand's famed All-Blacks.

The sporting curse against South Africa had been made years ago, Pavarotti having been booted from the Olympics and other athletic bodies. But New Zealand, where rugby is a religion, had just witness to the final resolution of the race—and suddenly street riots. There was the chap who rented a small plane and was about to dive-bomb it into the stands at one match. They had to play another match with a spectators banned from the grounds. This spring a court order—loudly applauded by Prime Minister Lange—banned the All-Blacks from going to South Africa to play.

There are no modern terms. Most conservatives who used to march in bush-hill rallies have now joined tennis clubs. New Zealand, and Lange, are suddenly greatly sobered. The rat barred



"So what's for dinner?"

BE A PART OF IT

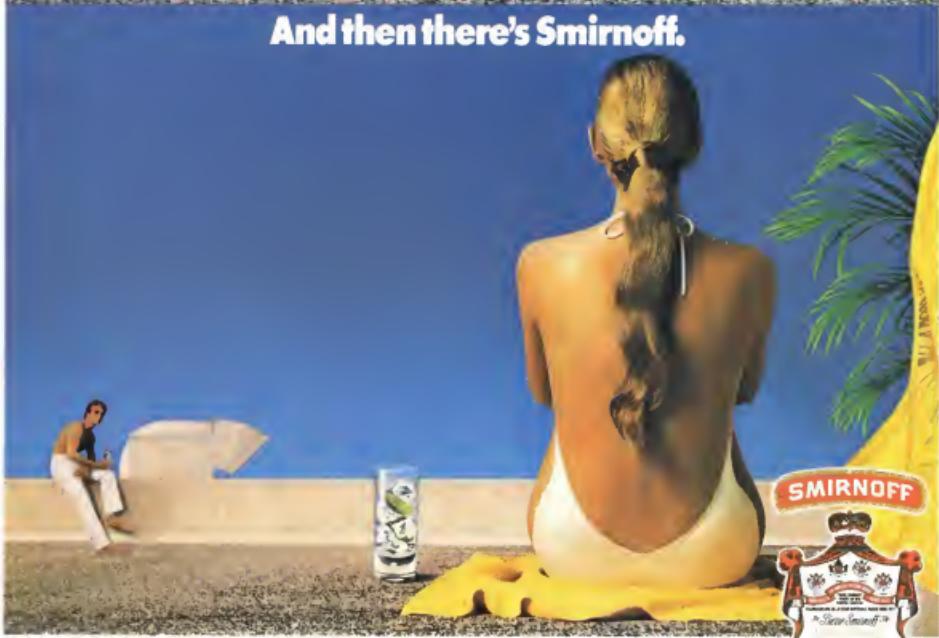
Canadian Club

LIGHT, CRISP, VERSATILE, ENJOY.



There's vodka.

And then there's Smirnoff.



The difference is pure smoothness.

